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1-3Q20 Leveraged volume up 6% y-o-y; Asset mix skews toward HY bond issuance

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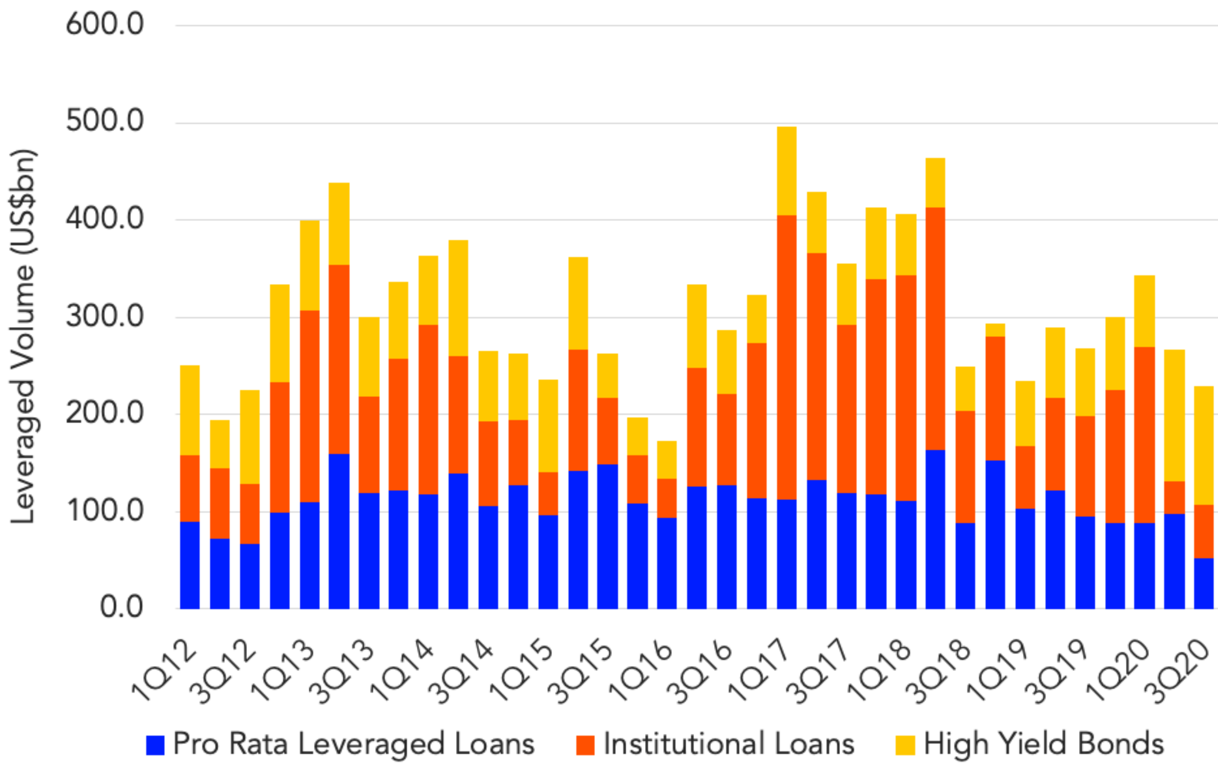

US Leveraged borrowers pushed nearly US$839bn of issuance through the market during the first nine months of 2020, a 6% increase over the same time last year. Although the totals did not shift dramatically year over, the mix of loans and bonds did.

High yield bond volume jumped roughly 59% year over year to close out 1-3Q20 at over US$330bn. Most of this increase is rooted in the larger calendar of issues which came to market in 2Q and 3Q as issuers tapped investors for over US$257bn (or 78% of year to date volume) in the wake of Covid-19 related refinancings.

At the same time, although institutional loan volume was up a modest 3% in 1-3Q20 compared to the year ago period, pro rata loan was down roughly 26% as event driven transactions remained scarce and borrowers were far more measured in tapping existing syndicate groups for refinancings.