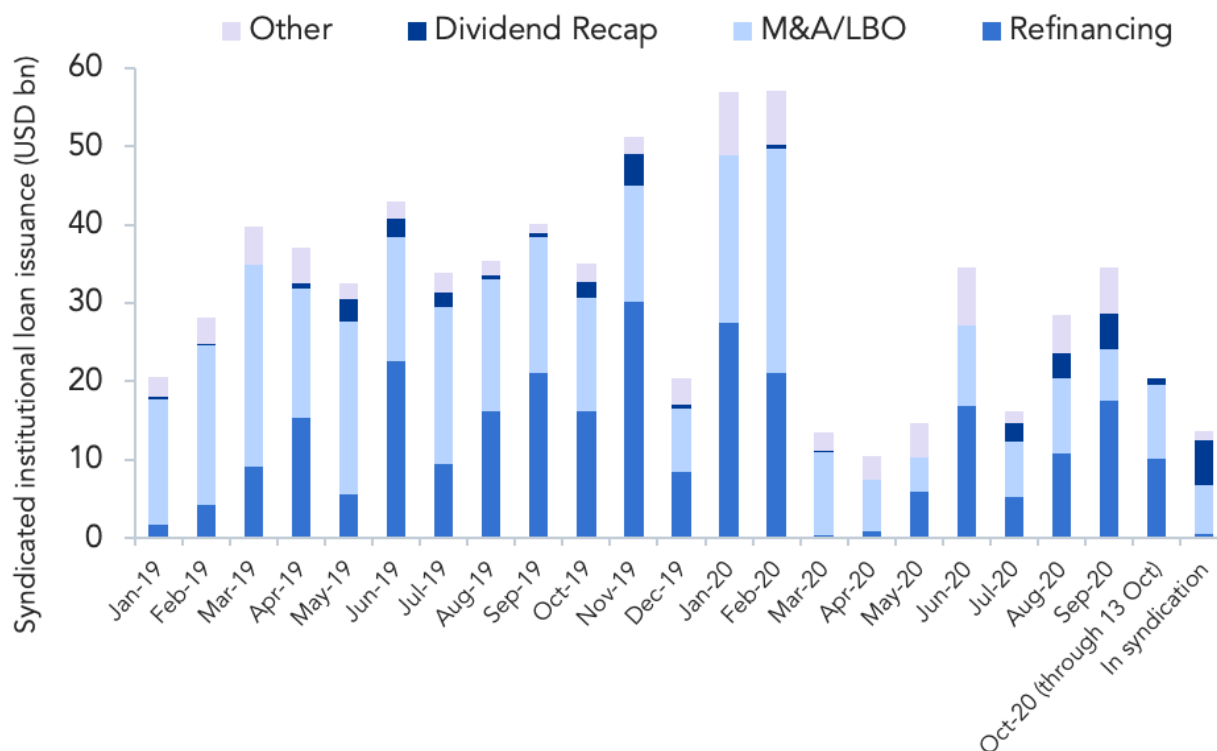


Leveraged loan market sees a pick-up in M&A-related deals and dividend recaps

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Source: Debtwire Par

Following on from September, the month of October is seeing a steady stream of leveraged loan deals, comprised of M&A-related transactions, dividend recaps and refinancings. On a positive note for lenders, M&A-related institutional loan deal flow has topped USD 9bn so far in October with another USD 6.25bn in syndication. Prominent LBO deals in the calendar include **1-800 Contacts**, **Help at Home**, **Service Logic** and **Team Services Group**.

Opportunistic deals also are proving popular as borrowers capitalize on investor appetite for paper after a period of below average supply. Institutional loan refinancings increased to USD 17.5bn in September, its highest level since February. Since then, another USD 10bn has priced so far this month.

Sponsors have also capitalized on supply-demand dynamics to tap the market for dividend recaps. This recent trend started during 3Q20, when nearly USD 10bn of deals priced that had a portion of the financing slated for a dividend. On top of this, another USD 5.7bn of deals with a dividend recap component are currently working their way through the market. This includes deals for **Harbor Freight**, **Maravai Life Sciences**, **Mega**

Broadband Investments, Northstar Group Services and Promontory Interfinancial Network.