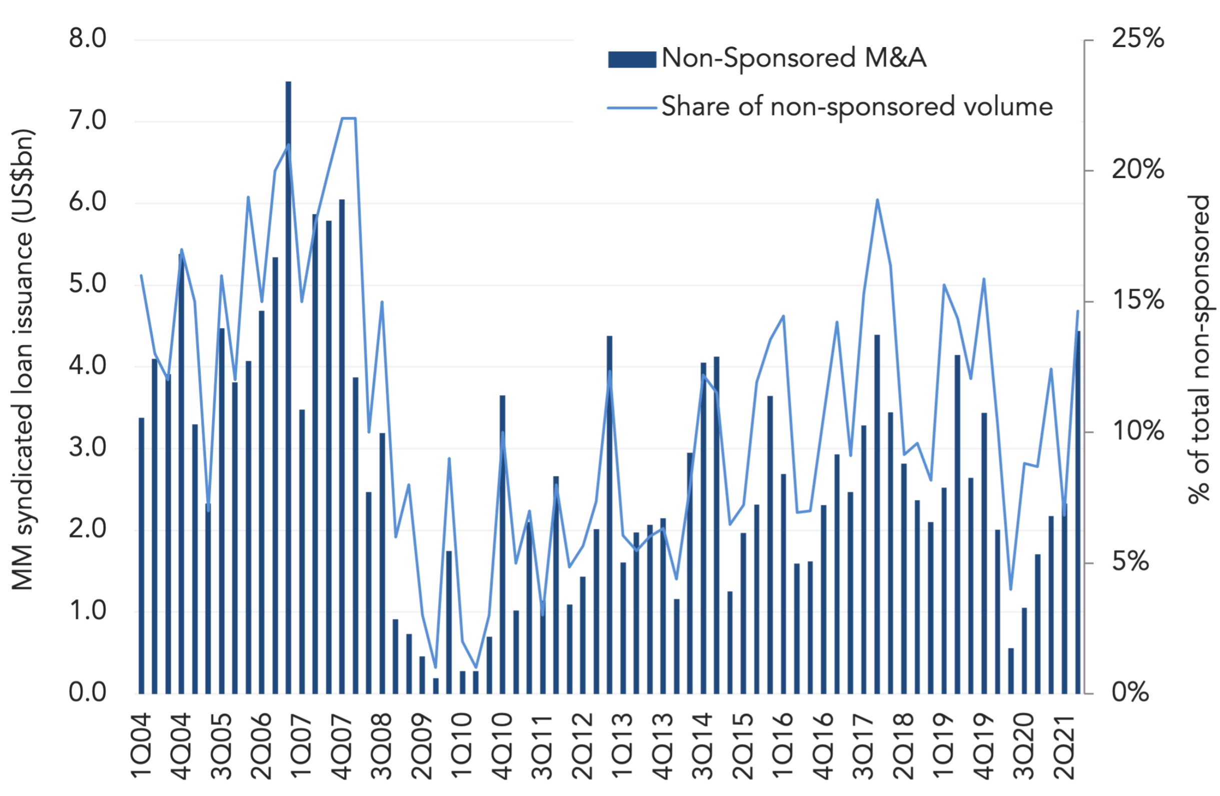
THE LEAD
https://theleadpc.com/leveraged-loan-insight-analysis-10-11-2021/

Middle market non-sponsored syndicated M&A jumped to US$4.4bn in 3Q21

LSEG | October 14, 2021



The non-sponsored middle market added another strong quarter to the books. While issuance was slightly down from 2Q21, it was a very busy summer with total volume of US$30.3bn in 3Q21. This was the highest level for a third quarter since 2014.

Moreover, new money lending hit its highest quarterly level since 2006. US$4.44bn of new money lending came from M&A activity, just above 4Q17's US$4.39bn, which represented the highest post-financial crisis level. Half of the banks that responded to Refinitiv LPC's 3Q21 lender survey, said that increased M&A kept them busy in 3Q21, up from 36% in 2Q21.

However, very high purchase price multiples, competition from sponsors and cautious business owners are still factors hindering M&A activity in the space. While bankers say that they are seeing increased activity, they are very far from "knocking it out of the park" and competition for deals remains very aggressive.

(Past performance is no guarantee of future results.)