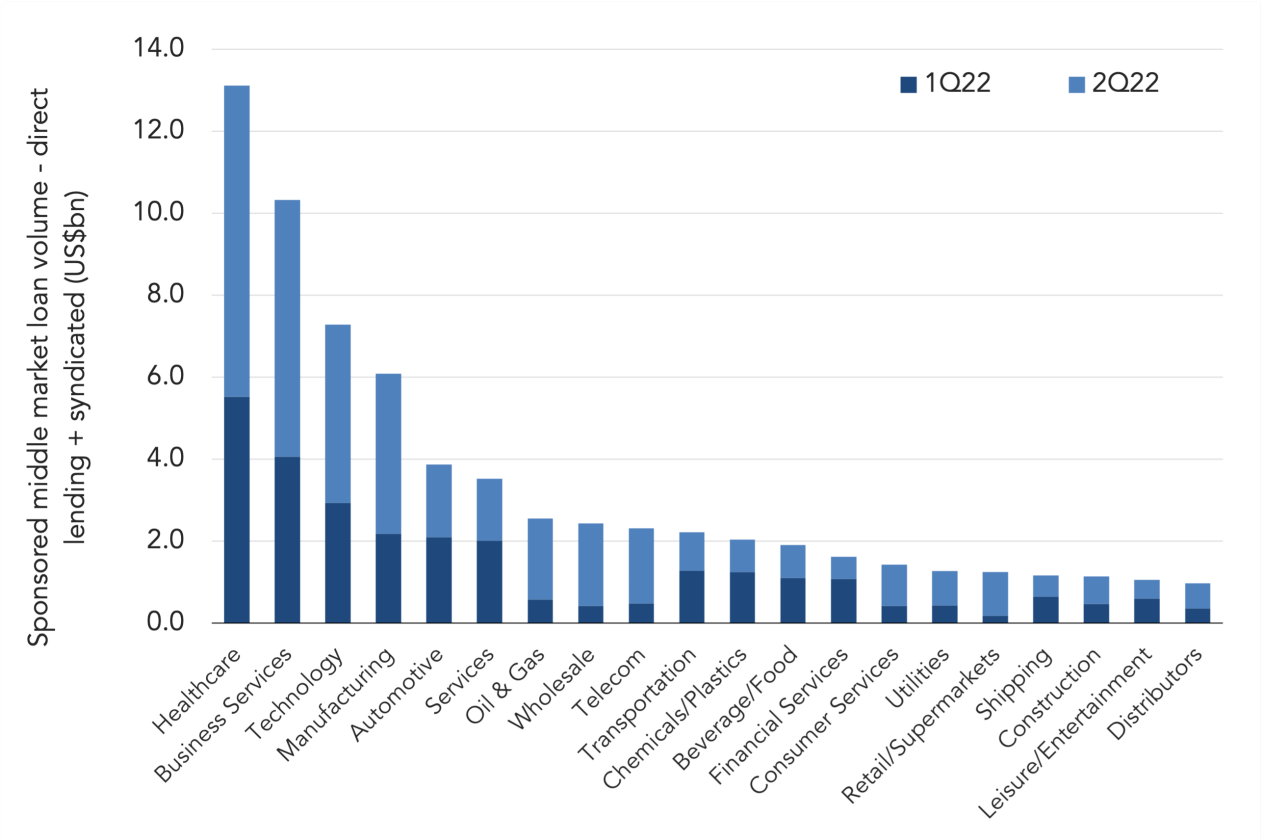
THE LEAD
https://theleadpc.com/leveraged-loan-insight-analysis-8-1-2022/

The healthcare sector led sponsored MM lending in 1H22

LSEG | August 4, 2022



Overall sponsored middle market lending activity (comprised of both direct lending and syndicated volume) was robust again in 2Q22, climbing 42% to US$44bn. The healthcare, business services and technology sectors remained in the top 3 spots in the most recent quarter, cementing their lead in the first half of the year. Further down the table, one of the top gainers in 2Q22 was the oil & gas sector, which saw increased activity on the back of higher energy prices. Drilling deeper into M&A volume in 2Q22, the healthcare sector was again the most active overall (US$4.9bn) and also in both the add-on acquisition (US$2.4bn) and LBO (US$2.5bn) segments. Business services was the other sector to reach over US$4bn in M&A volume last quarter. Looking at some of the key credit metrics, total leverage on technology sector deals declined to a five-quarter low of 5.03x in 2Q22. However, it remained above that of business services (4.96x) and healthcare (4.79x).

(Past performance is no guarantee of future results.)