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At US$110bn, 3Q24 M&A loan volume highest quarterly total in 2 years

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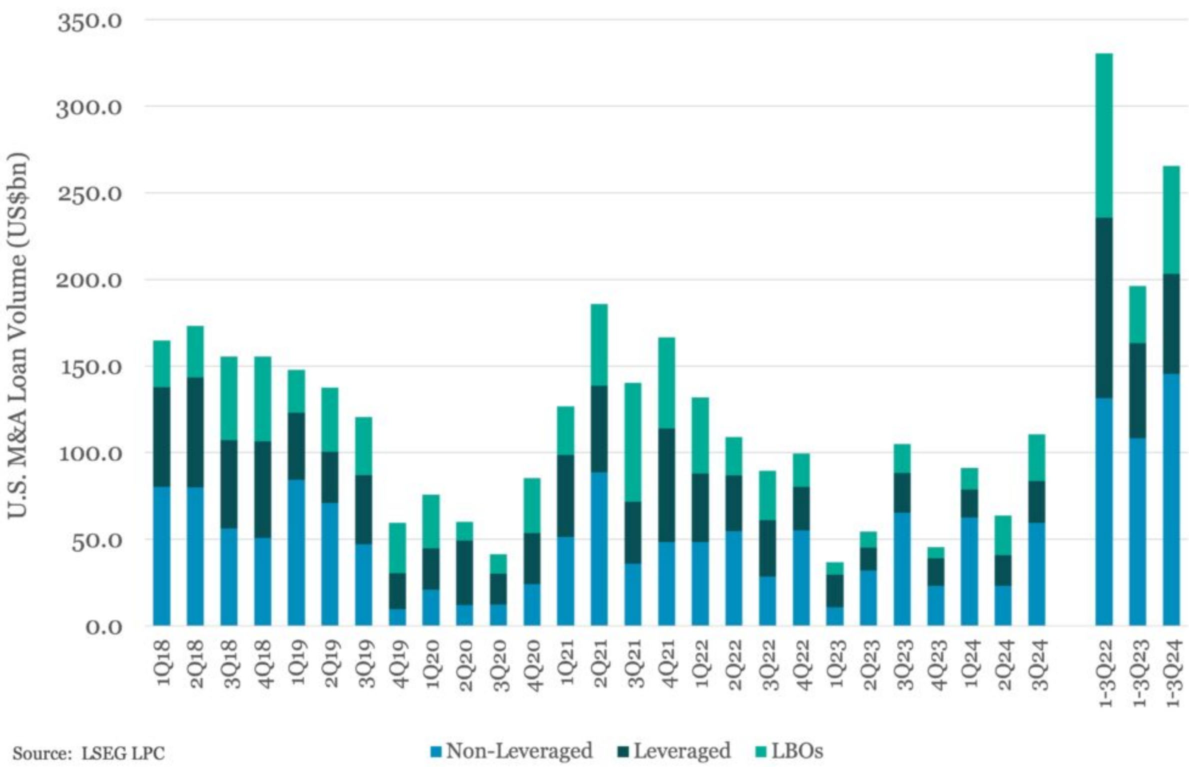

The US broadly syndicated loan market supported over US$110.5bn of acquisition financing in 3Q24, the strongest quarterly results in over two years, pushing 1-3Q24 totals to nearly US$266bn. Issuance for the first nine months was up 35% year over year. After a slower than expected 2Q pipeline, both investment grade and leveraged M&A ticked up markedly in 3Q24. A flurry of large, high grade issuers tapped lenders for nearly US$60bn of issuance, a 34% jump compared to 2Q24 results but modestly off the US$62.5bn raised in 1Q24 and the US$65.4bn raised during the same time last year. In the leveraged space, both corporate and private equity backed M&A credits came to market. Corporate issuers tapped lenders for over US$24bn in acquisition related financing, a 6% increase compared to the same time last year, pushing totals for the first nine months of 2024 to nearly US$58bn. But it was the re-emergence of steady LBO issuance via the BSL market that raised arranger hopes. Lenders supported almost US$27bn in LBO loan volume during the quarter, up 60% increase compared to the same time last year. At US$62.25bn, 1-3Q24 LBO loan volume was up 88% compared to US$33bn raised in the year ago period.