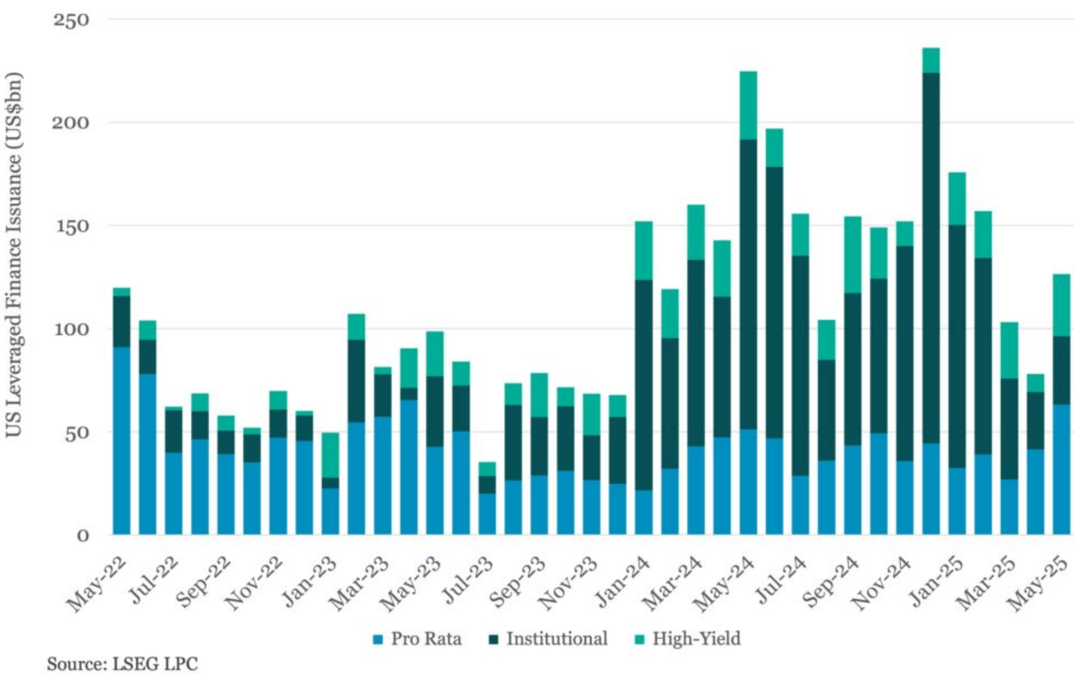
THE LEAD
https://theleadpc.com/leveraged-loan-insight-analysis-6-16-2025/

Bank loans, high-yield bonds provide boost to levfin origination in May

LSEG | June 18, 2025



US leveraged finance issuance reached nearly US$127bn in May, up more than 60% from April's US$78bn pipeline. The pickup in business came from an unlikely source: bank loans, which topped US$63bn to drive two thirds of leveraged loan issuance and half of all levfin deal flow for May. For bank lending, it was the busiest month since April '23. And for sake of comparison, bank loans have typically contributed 25-30% of leveraged loan product mix over the past five consecutive quarters. Additional support came from high-yield bonds, which raised US$30bn from 33 executions in May and saw business more than triple following a dismal April. Institutional loan issuance ticked modestly higher to US$33bn, with a balanced 50/50 split between M&A/new money and refinancings. Year-to-date, US leveraged loan issuance totals US$526bn, while adding high-yield bonds to that figure brings total levfin issuance to approximately US$640bn, both down exactly 20% versus deal origination through the first five months of last year.