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US LBO loan volume reached nearly US$90B in 1H26; direct lending held 43% share

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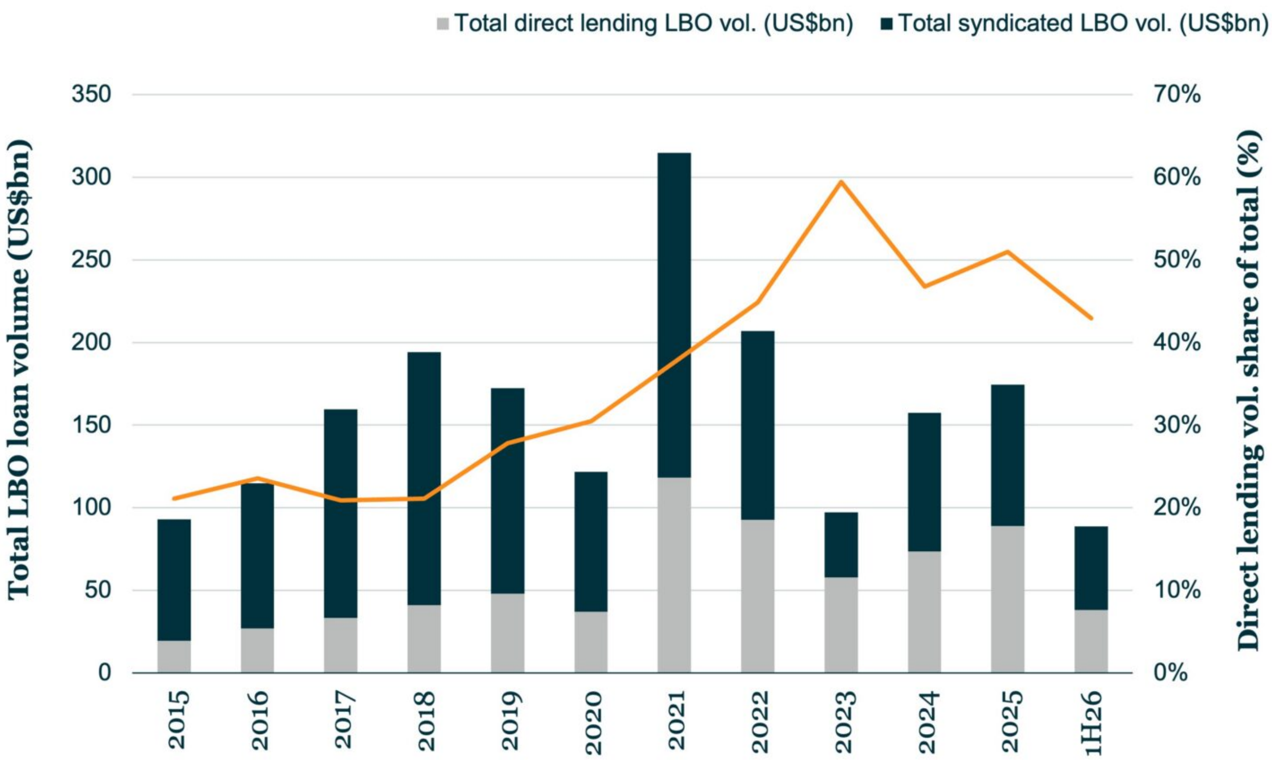

Source: LSEG LPC

US lenders completed a combined US$34bn of syndicated (US$16.94bn) and direct lending (US$$16.6bn) loan volume backing leveraged buyout activity ub 2Q26, pushing half year totals to just under US$90bn. Quarter over quarter, issuance was down among both syndicated and direct lending executions amid entrenched higher valuations and fluctuating market volatility. The syndicated market observed a 50% drop in the 2Q26 calendar compared to 1Q26 totals while the direct lending market saw issuance decline 22% quarter over quarter. However half year totals among LBOs executed via the syndicated market were up over 51% year over year at US$50.6bn. In contrast, direct lender constructs edged down 5% totalling just over US$38bn, amid interest rate pressure and headlines spotlighting potential risks in direct lender portfolios . In turn, direct lending ultimately represented 43% of total LBO financing completed in 1H26, down from 51% in full year 2026.