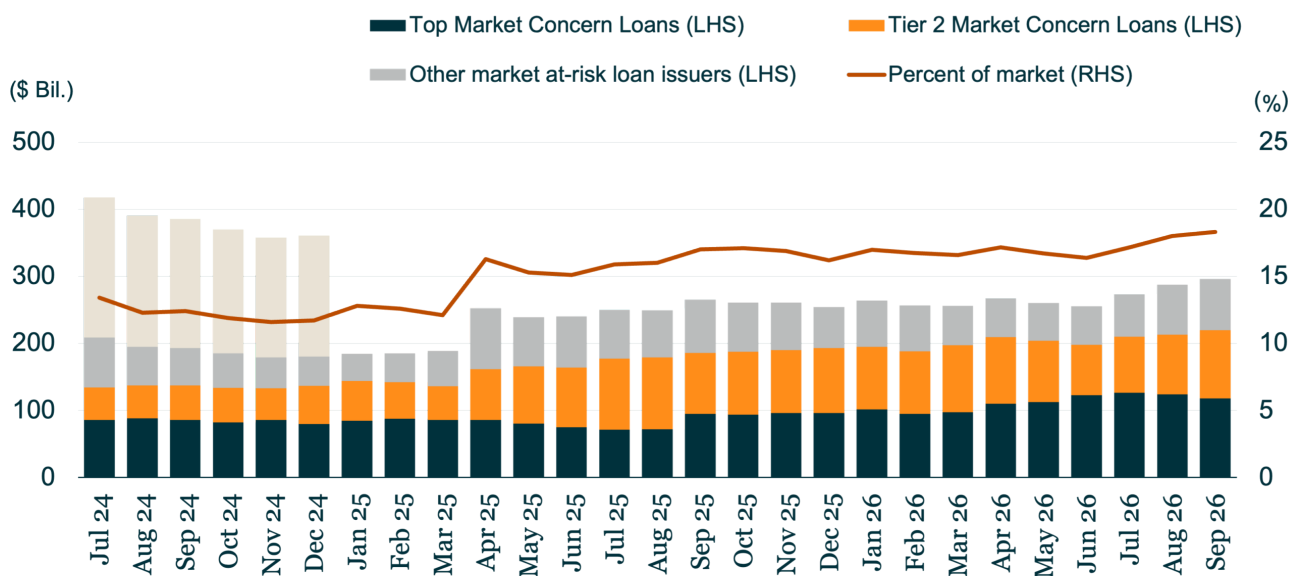


Low August U.S. defaults reflects seasonal slowdown as market concern loans build

Fitch Ratings | September 29, 2026

Market Concern Loans as a Percent of Market



Source: Fitch Ratings, U.S. Leveraged Loan Universe

Click [here](#) to learn more.

U.S. leveraged loan and high-yield default rates were unchanged in August 2026 at 3.9% and 2.8%, respectively, as seasonal conditions limited default activity, Fitch Ratings says. Fitch expects leveraged loan defaults to rise to the 4.5%–5.0% year-end forecast range, supported by historically elevated Market Concern Loan outstandings.

Combined Market Concern Loan outstandings reached a record \$296.2 billion, or 18.3% of the market. The technology sector drove the increase and faces an approaching 2028 maturity wall. Meanwhile, Market Concern Bond outstandings remained at about \$147.5 billion, or 10.0% of the high-yield market. Fitch added paper manufacturer Pixelle to its Top Market Concern Loan list and passenger rail operator Brightline East to its Top Market Concern Bond list.