Leveraged Loan Insight & Analysis – 8/1/2016

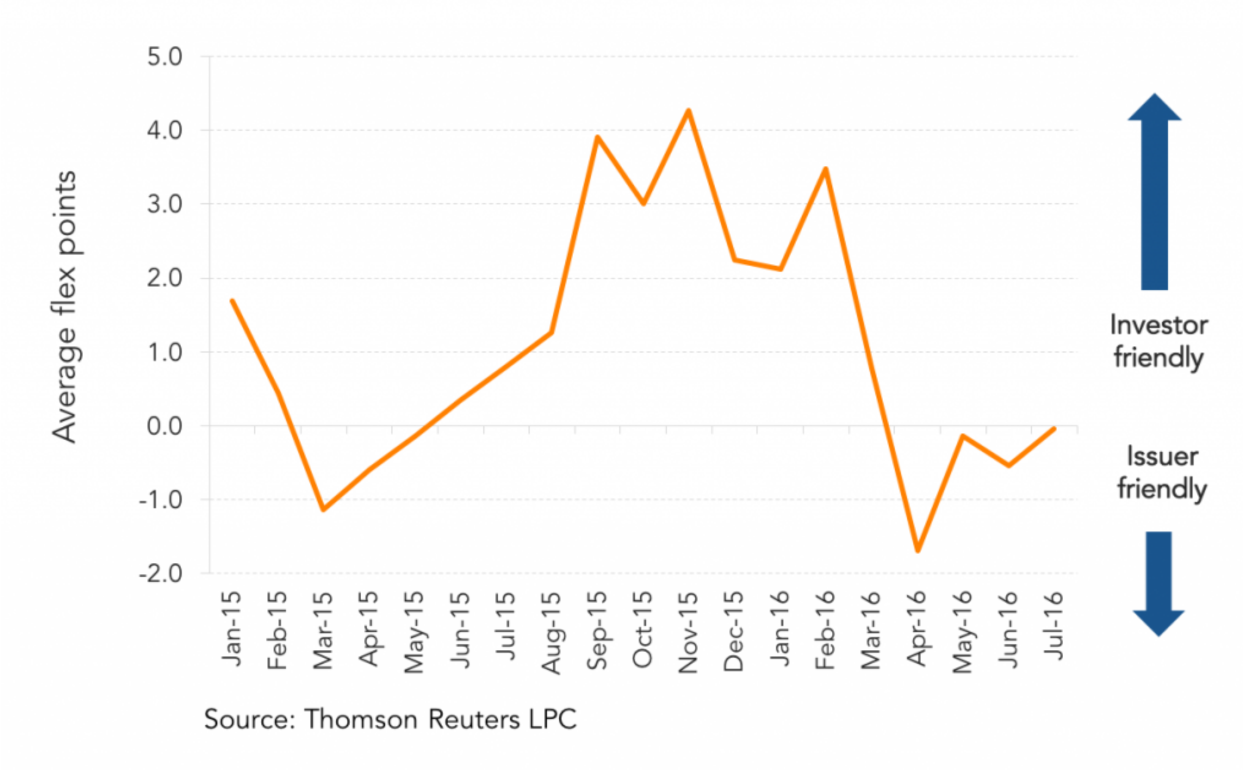
LSEG | August 3, 2016

Flex activity continued to favor issuers in July

Market sentiment in July was more of the same in the leveraged institutional market. Although deal flow thinned out from a swell of volume in June, negotiations continued to favor issuers. Thomson Reuters LPC's Flex Factor scored a -0.04 for July, the fourth straight month in issuer friendly territory. The Flex Factor, which aggregates

rd flexes.

ore favorably to



Meanwhile 6

issuers saw commitments increase during negotiations in July. Similar to past months, a few of the upward flexed deals saw significant investor friendly changes to the deal, which helped keep the Flex Factor score nearer to neutral for the month. For instance, Arbor Pharmaceuticals saw the OID on its US$500m term loan B widen out substantially from 99 to 94 earlier in the month. Institutional deal flow tapered in July after hitting a year-to-date peak in June. The institutional pipeline topped out at US$33bn last month after getting as high as US$49bn in June.

Register now for the 22nd Annual Thomson Reuters LPC Loan & CLO Conference – Thursday September 15, 2016

Contact: David Puchowski

david.puchowski@tr.com