

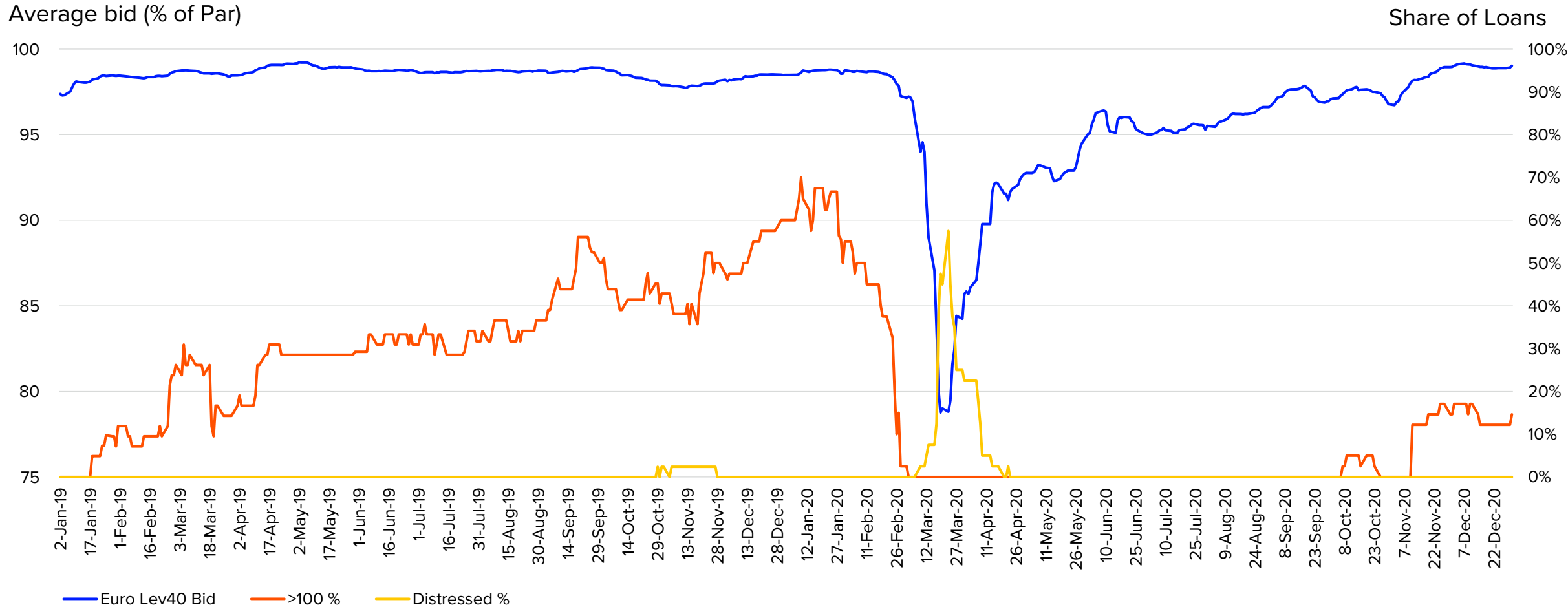
GLOBAL LOAN MARKET DATA AND ANALYTICS BY REFINITIV LPC

December 2020

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Secondary Market Bid Levels: Europe

Average marks for European leveraged loans ticked up 8bp in December to end the year in the 99 context. The Euro Lev40 ended the year 54bp higher, rebounding completely from the sharp drop in values at the end of March. Although the share of loans marked higher than par remains below pre-pandemic levels, at 15%.

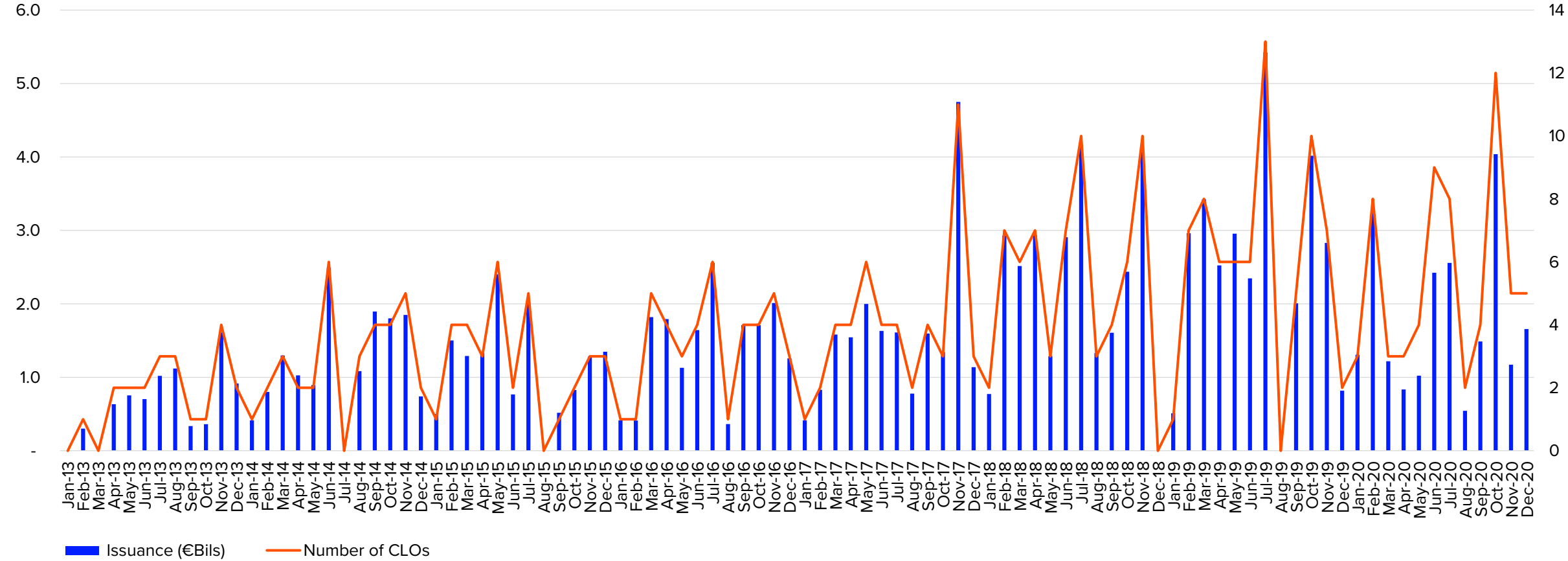


European CLO New Issue Volume

European CLOs added €1.7bn of new issue volume in December, spread over five deals. Activity in 4Q stands at €6.87bn, eclipsing levels from a year ago and making it the busiest quarter of the year. Issuance was driven by a busy October that logged over €4bn of new issue.

CLO New Issuance (€Bils)

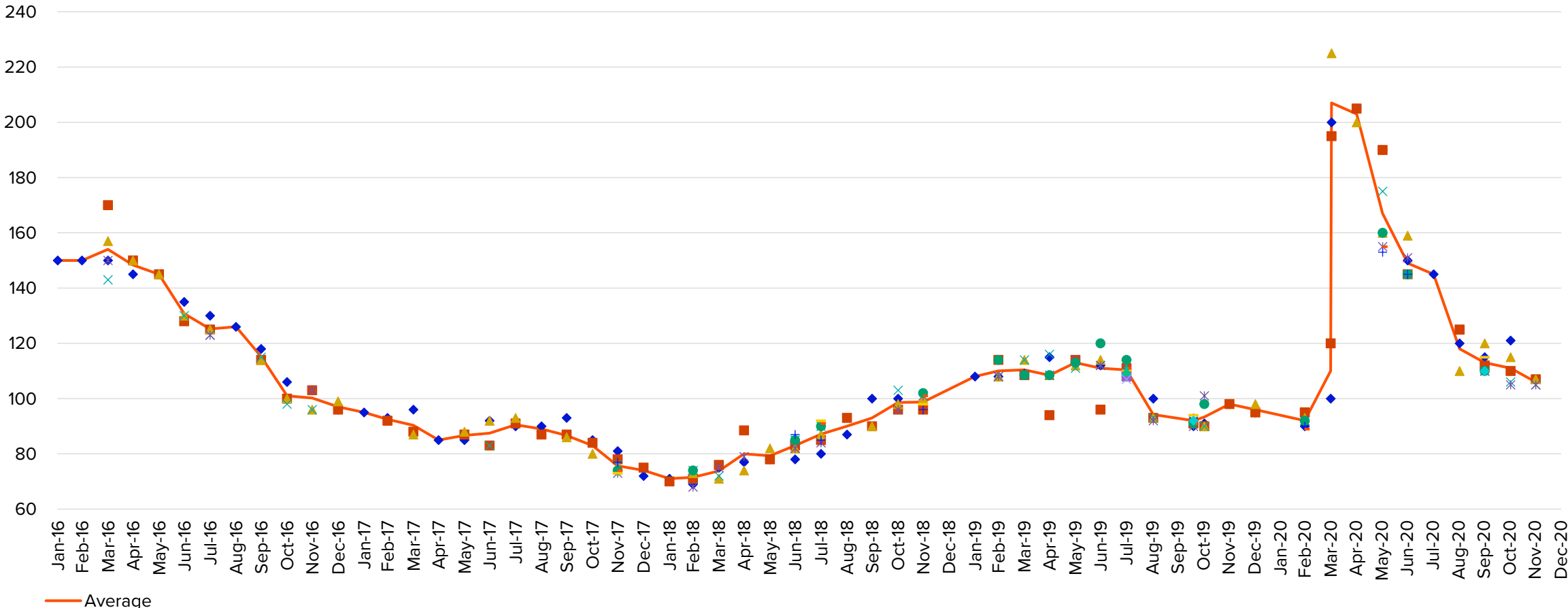
Number of CLOs



European CLO AAA Spreads*

Average AAA spreads tightened another 5bp in December to 106bp – the lowest post-Covid. Pricing was led by new deals for seasoned managers CIFIC, GSO Blackstone, and Invesco.

AAA Discount Margin (bp)



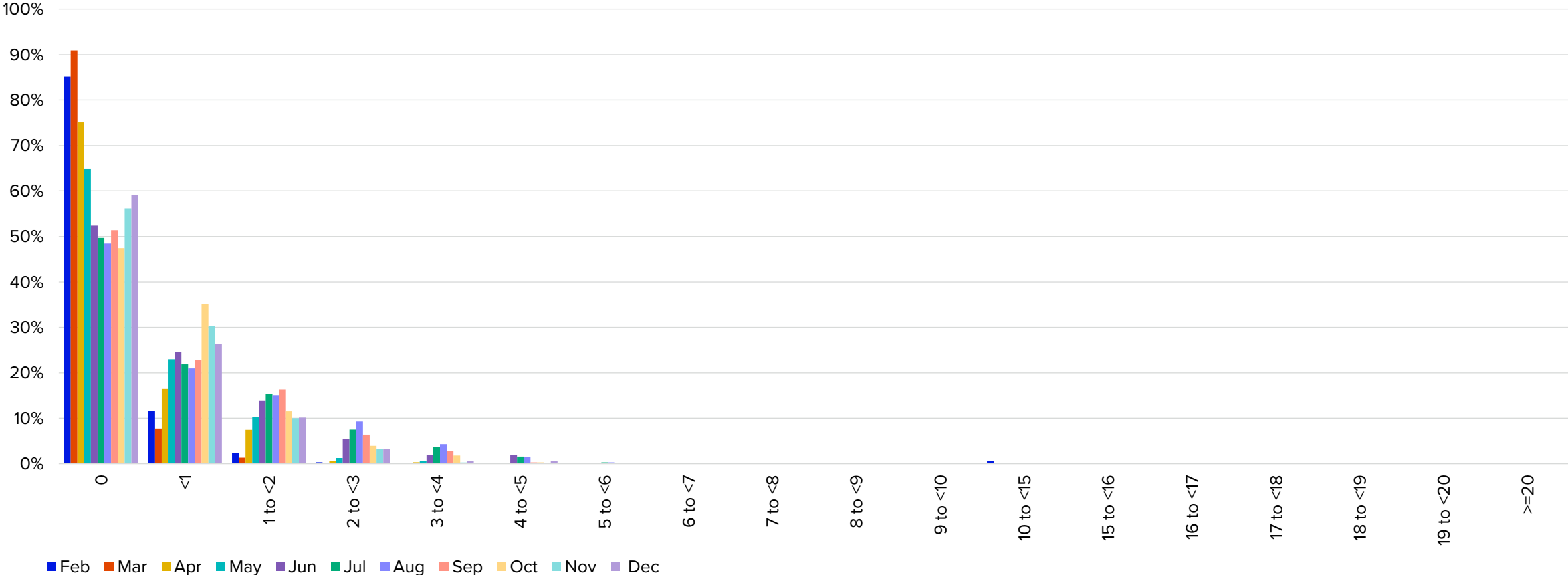
*based on deals where discount margin is available



Defaulted Assets – European CLOs (post-crisis)

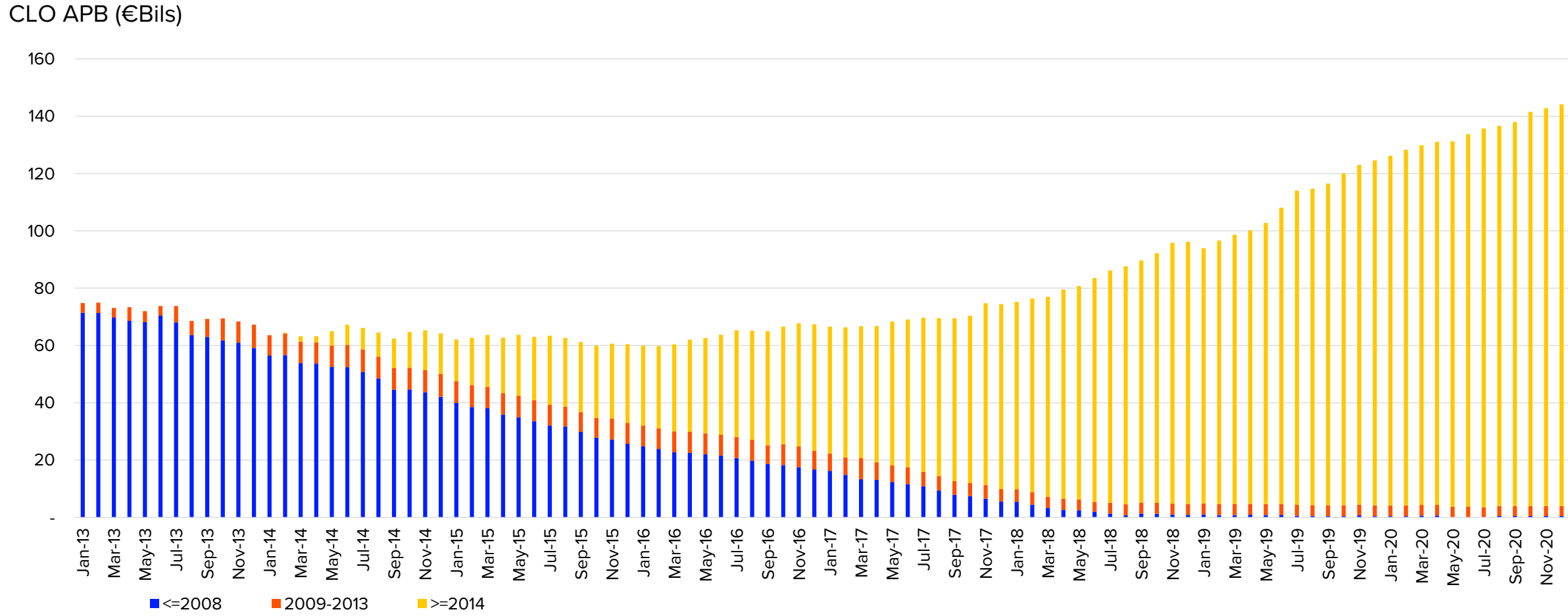
In European CLO portfolios, the share of deals reporting no defaults ticked 3% higher in December to 59%. The share with 2% or more of principal balance in default was flat at 4% of CLOs, it was 15% reported at the end of August.

Share of CLO universe / Percent of assets in default



European CLO Assets Under Management by Vintage

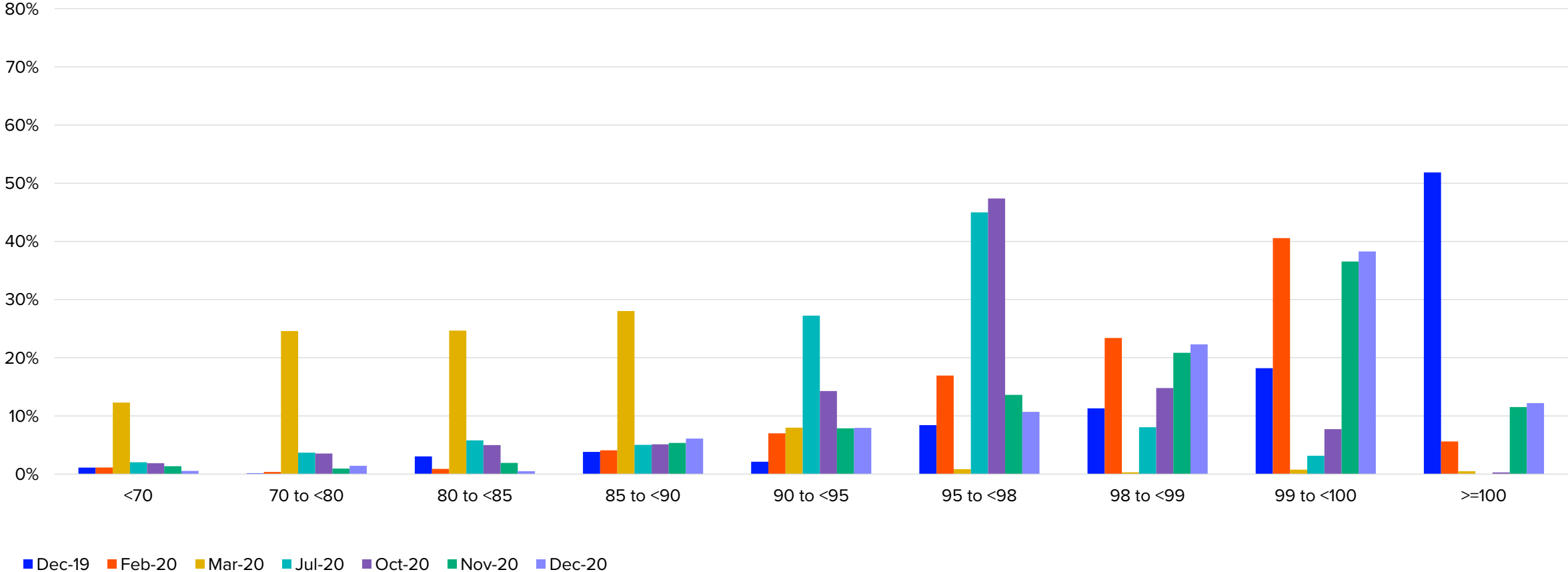
On the European side, post-crisis CLOs hold the lion's share of assets.



Distribution of Secondary Market Prices of Loan Assets in European CLOs

In European CLOs, loan prices also ticked higher, with the share of assets marked between 99 and less than 100 increasing 2% to 38% of loans; it was 8% two months earlier. The par-plus share was flat at 12%, as was the share priced at less than 80, at 2% of loan assets.

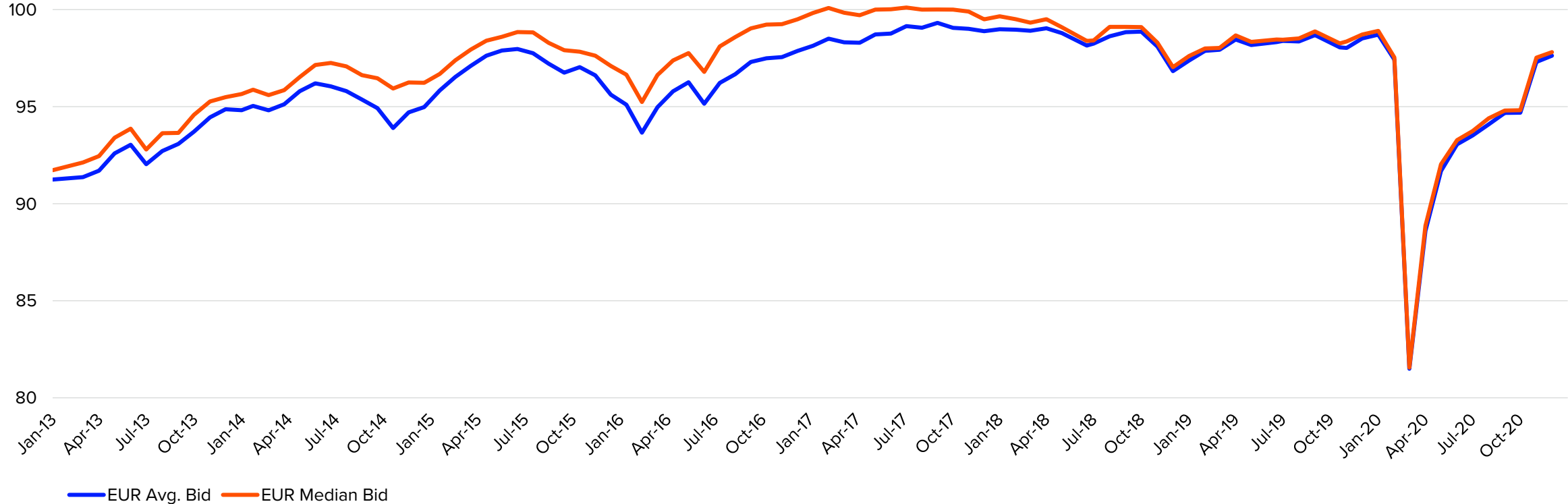
Share of Loan Holdings / Avg. bid (% of Par)



Average Bid of European CLO Portfolios* (Underlying Assets)

The average bid on European CLOs ticked higher to the 97.6 context, with the median bid at 97.8.

Avg. bid (% of Par)

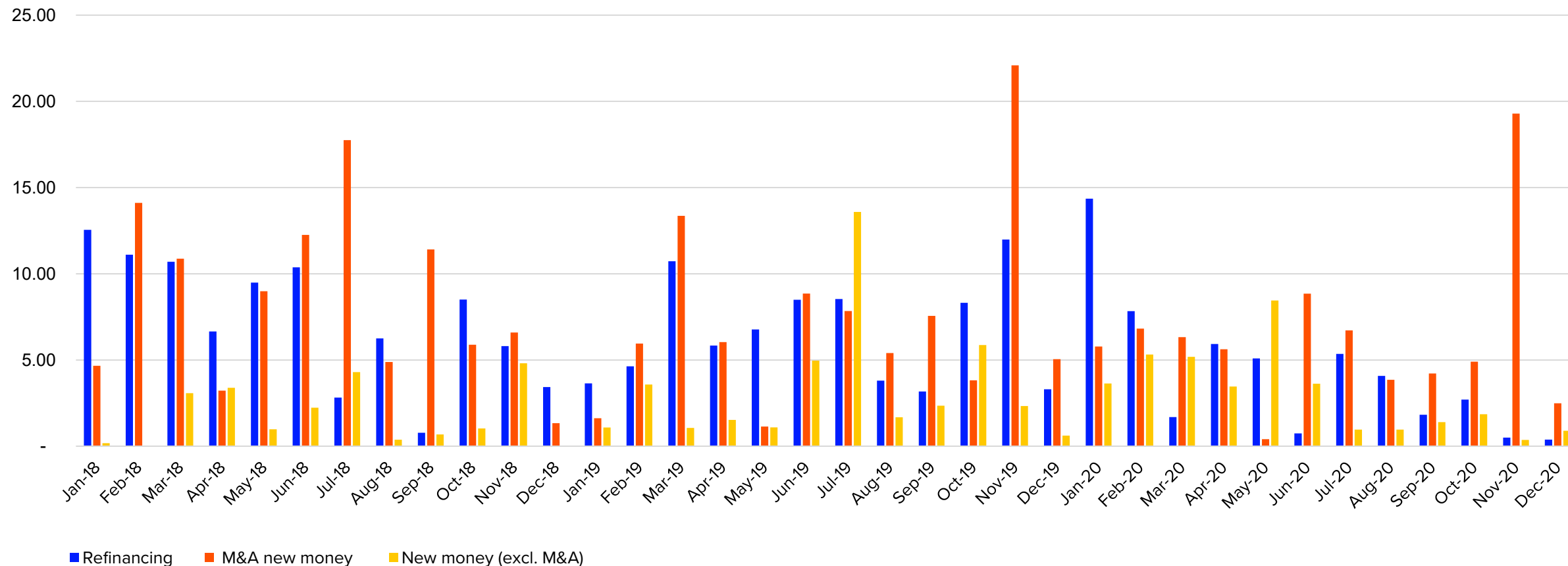


*excludes CLOs less than \$50 million in size.

EMEA Leveraged Volume by Segment – Monthly

In December 2020, there was \$2.5bn of leveraged M&A new money issuance, and \$898.7m of other leveraged new money volume. There was also \$382.8m of refinancing volume recorded. In 2020, refinancing volume totalled \$50.5bn while new money volume was \$111.4bn.

Leveraged Loan Issuance (\$Bils)



* The breakdown includes Refinancing, M&A and New money exclusive of M&A

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