

# GLOBAL LOAN MARKET DATA AND ANALYTICS BY REFINITIV LPC

## May 2020

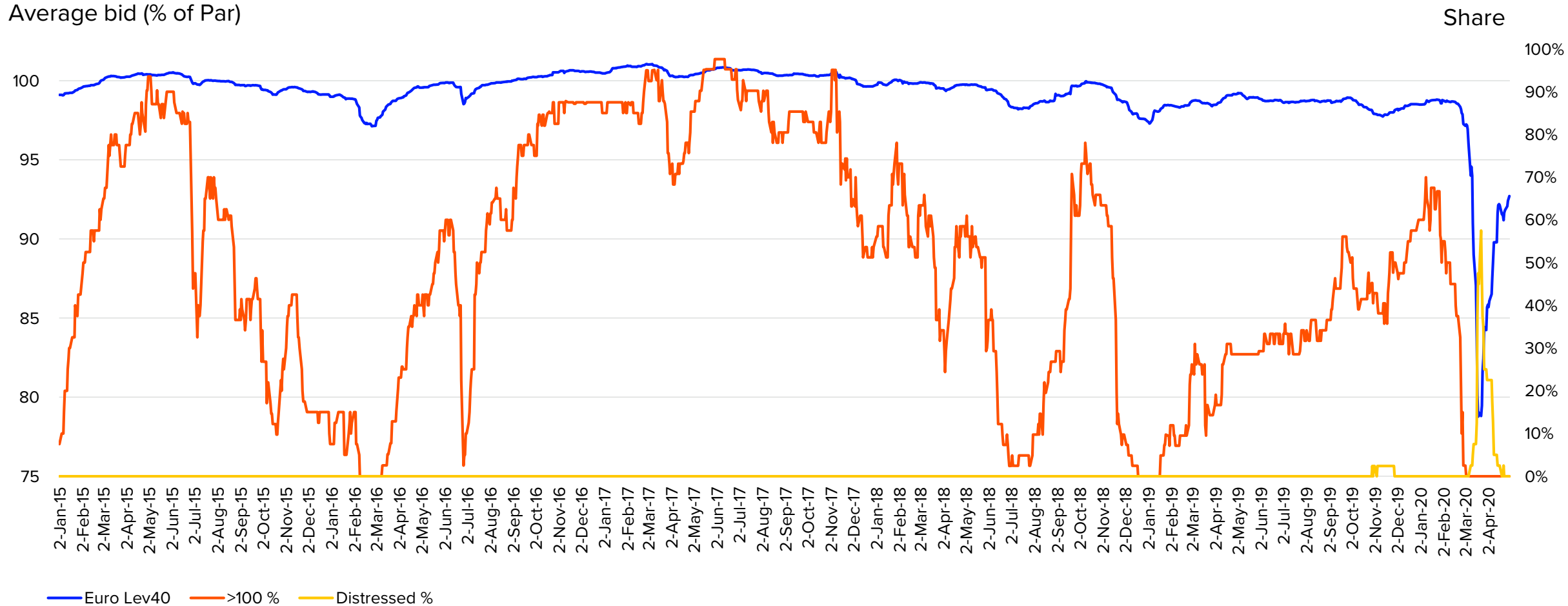
---

|   |          |
|---|----------|
| Secondary Market Bid Levels: Europe                                     | Slide 2  |
| European CLO New Issue Volume – Monthly                                 | Slide 3  |
| European CLO AAA Spreads  | Slide 4  |
| Defaulted Assets – European CLOs (post-crisis)                          | Slide 5  |
| European CLO Assets Under Management by Vintage                         | Slide 6  |
| Distribution of Secondary Market Prices of Loan Assets in European CLOs | Slide 7  |
| Average Bid of European CLO Portfolios* (Underlying Assets)             | Slide 8  |
| EMEA Leveraged Volume by Segment – Monthly                              | Slide 9  |
| About LPC / Contact Us  | Slide 10 |

---

# Secondary Market Bid Levels: Europe

The European secondary market gained 7pts in April, rising from 85.69 at the end of March to end April at 92.70. The par-plus share remained at 0.00% throughout the month, however the share pricing at distressed levels in the EuroLev 40 cohort dropped from 22.5% at the start of April to 0.00% by the end of the month.

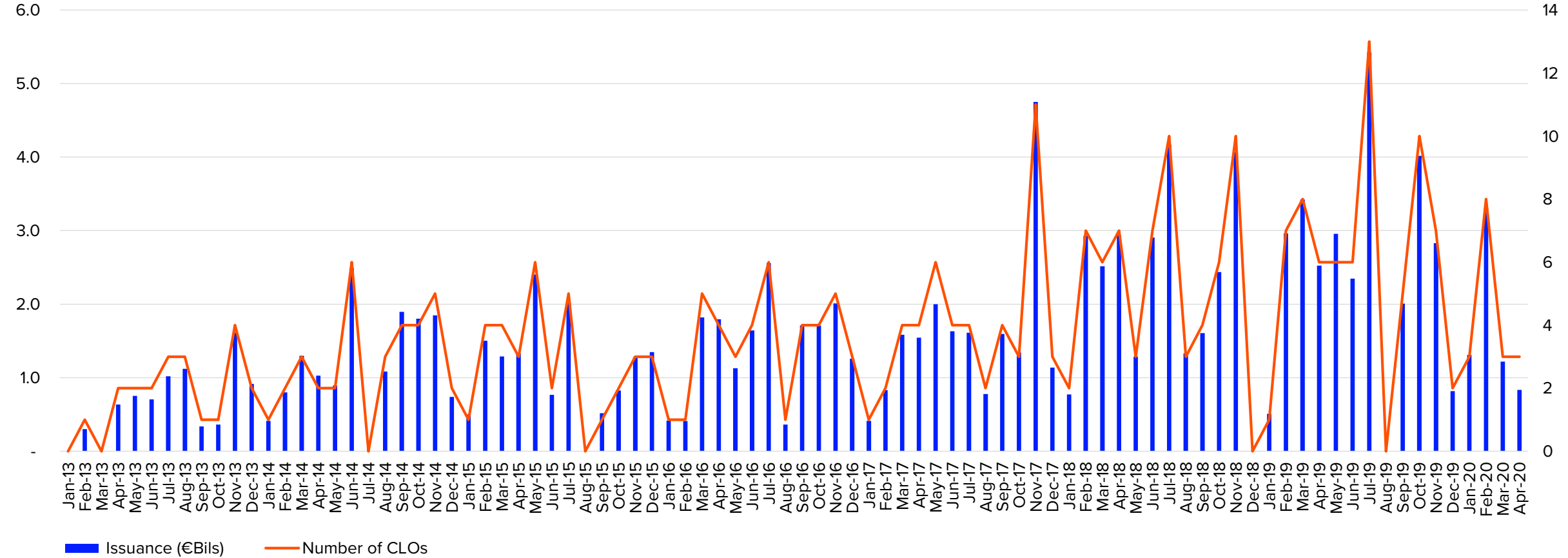


# European CLO New Issue Volume – Monthly

New-issue volume remains muted in a post-COVID-19 world, with three structures pricing in April, for €835m. The average CLO has also decreased to €278m in April, from approximately €400m before the crisis.

CLO New Issuance (€Bils)

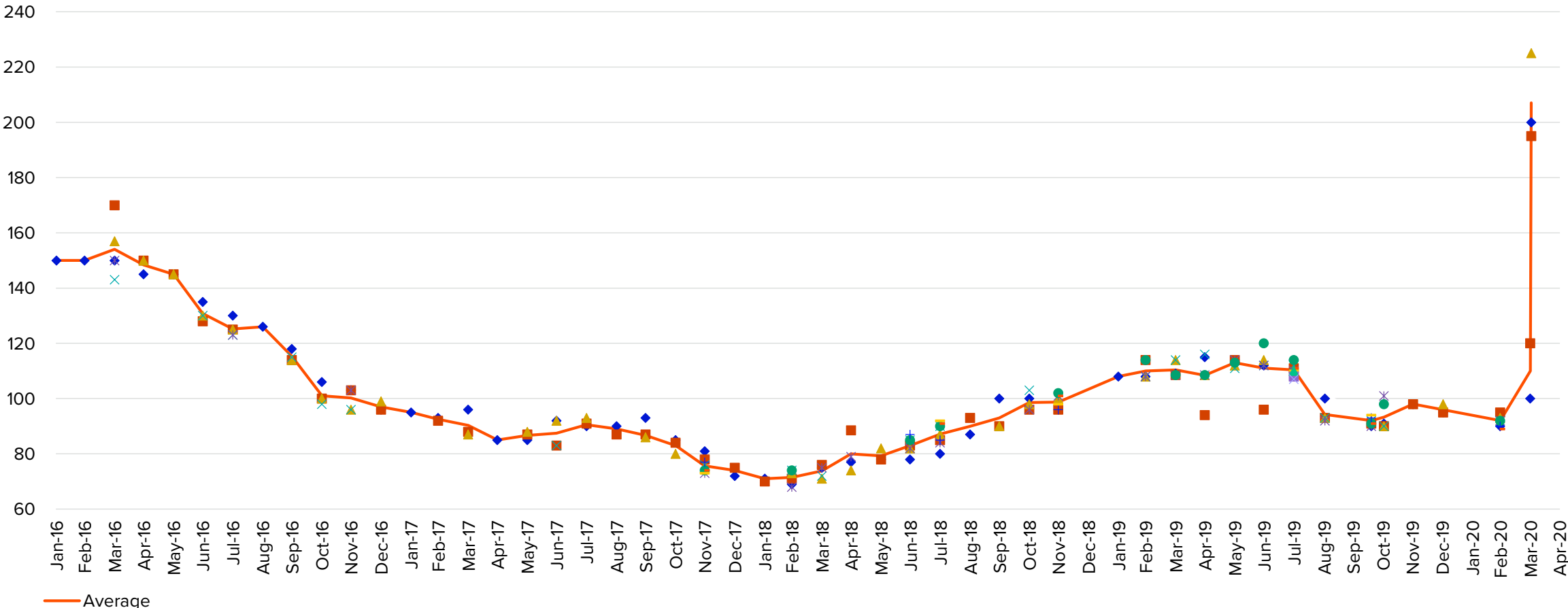
Number of CLOs



# European CLO AAA Spreads\*

Three CLOs priced in April, with spreads ranging from 195bp for KKR’s Avoca XXIV to 225bp for Redding Ridge’s Zinnia Finance CLO. Both structures carried a three-year re-investment period while Permira’s Providus CLO 4 priced its AAAs at 200bp with one-year re-investment and non-call periods.

AAA Discount Margin (bp)



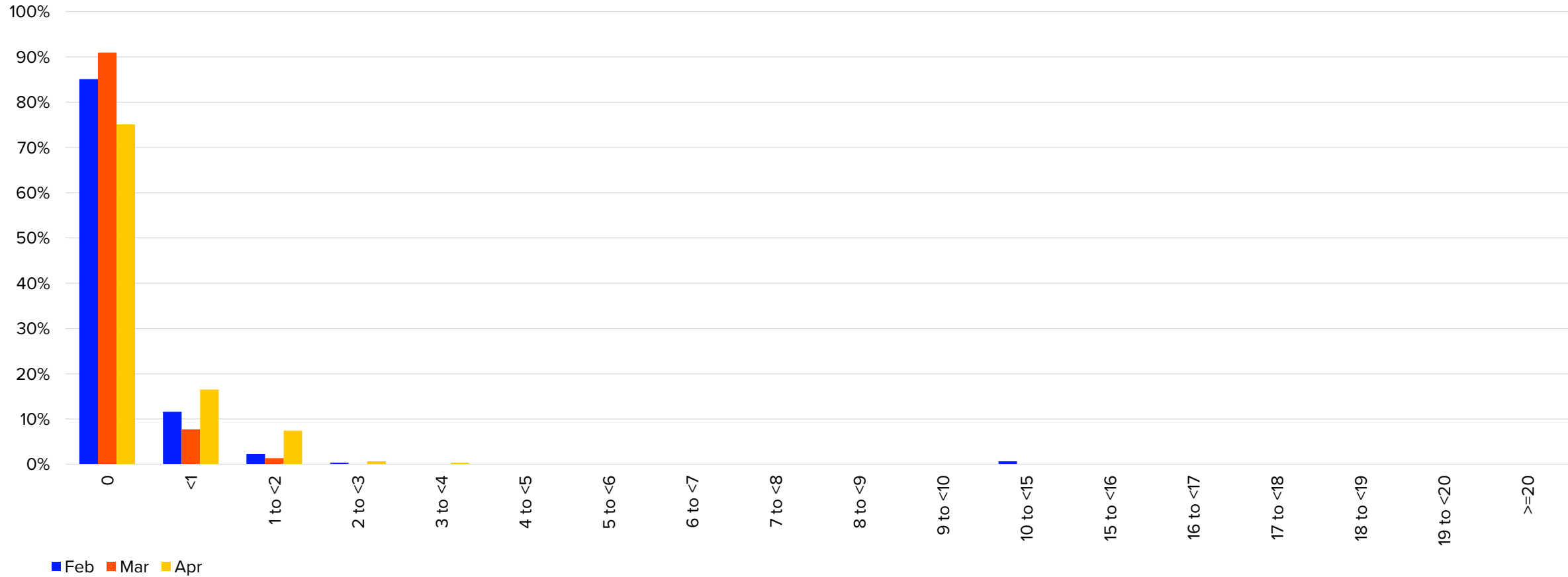
\*based on deals where discount margin is available



# Defaulted Assets – European CLOs (post-crisis)

Compared to the U.S. market, the increase in reported defaults has been less pronounced in European CLOs, with 8.4% of CLOs reporting more than 1% of their principal balance in default.

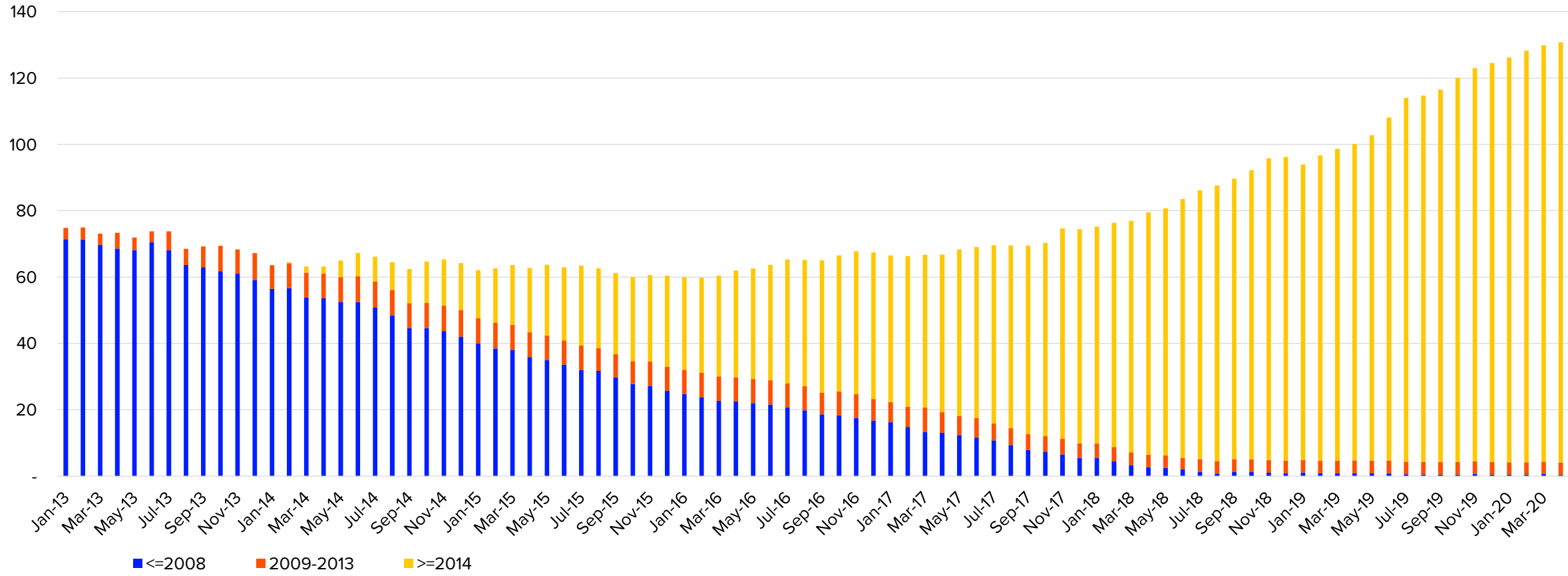
Share of CLO universe / Percent of assets in default



# European CLO Assets Under Management by Vintage

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

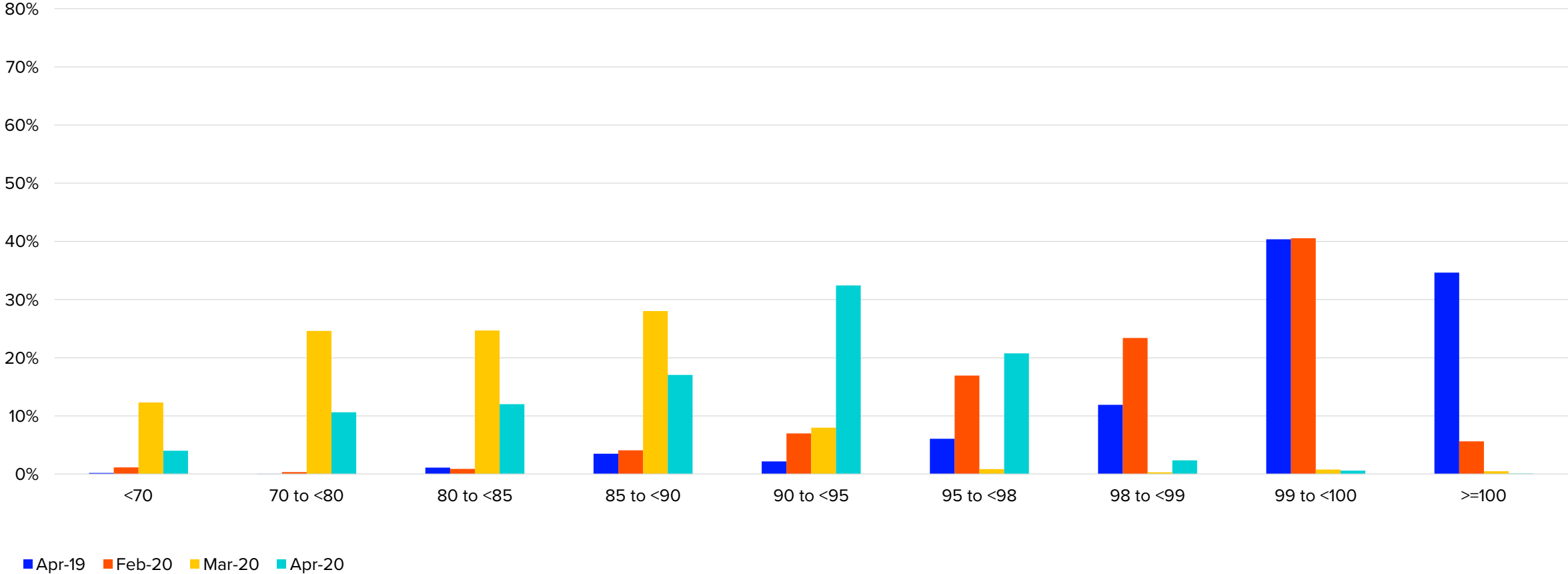
CLO APB (€Bils)



# Distribution of Secondary Market Prices of Loan Assets in European CLOs

It was a similar picture in Europe, with the share of assets marked below 80 decreasing 22% in one month, to 15%. Thirty two percent of assets were marked between 90 and <95, compared to 8% a month earlier. And 21% are marked between 95 and <98, an increase of 20% from levels at the end of March.

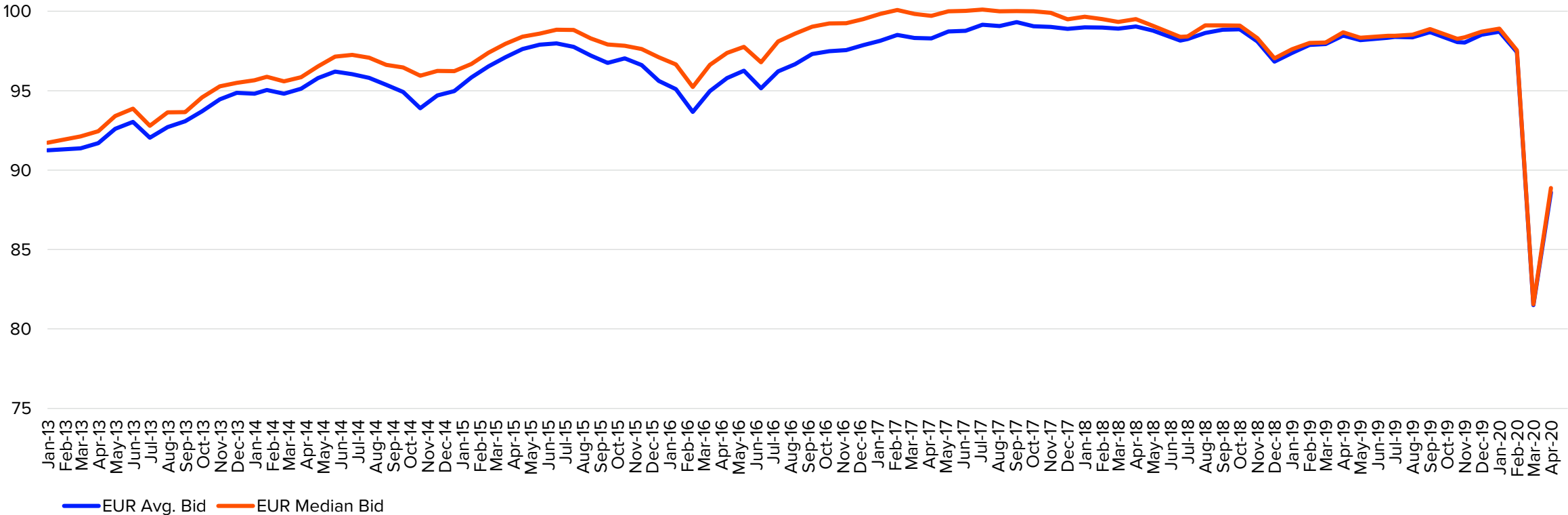
Share of Loan Holdings / Avg. bid (% of Par)



# Average Bid of European CLO Portfolios\* (Underlying Assets)

After dropping close to 16pts by the end of March, the weighted average bid on European CLOs gained over 7pts to the 88.6 context. The median bid also rallied 730bp to the 89 context.

Avg. bid (% of Par)



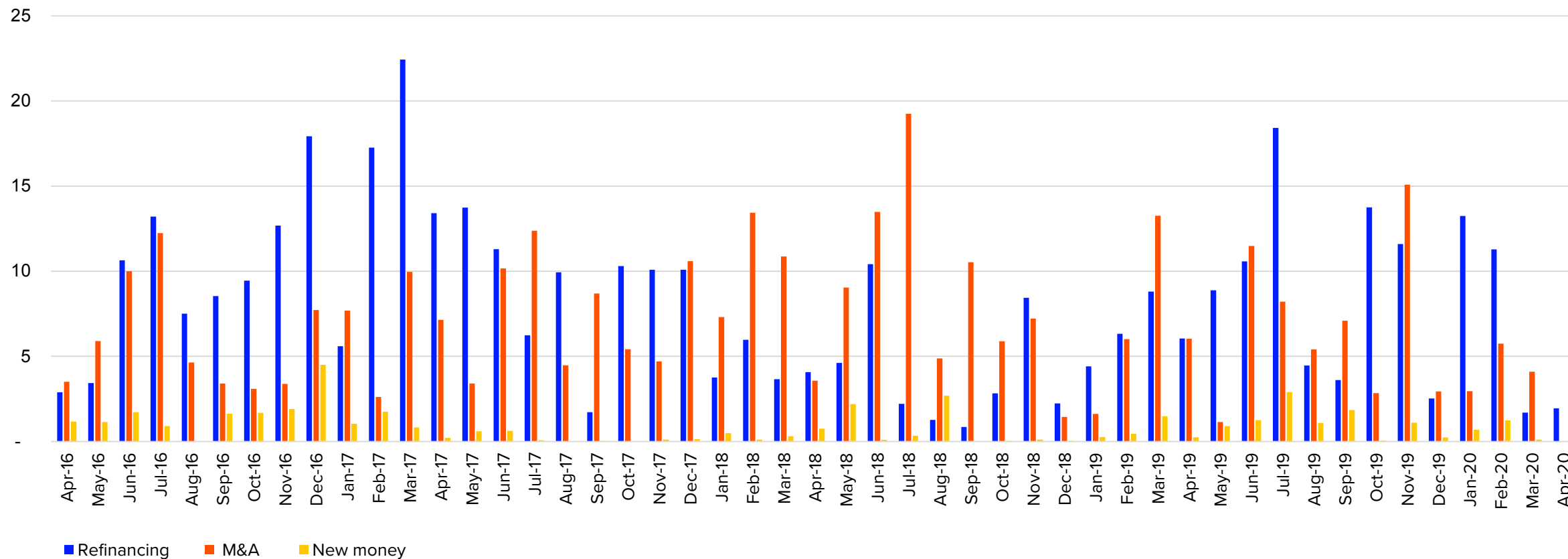
\*excludes CLOs less than \$50 million in size.



# EMEA Leveraged Volume by Segment – Monthly

Refinancing issuance totalled \$1.95bn for April. Compared to the same period last year, refinancings are down 68%. There was no M&A or new money issuance in April.

Leveraged Loan Issuance (\$Bils)



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

# About LPC / Contact us

Refinitiv LPC – The trusted source for more than two decades

---

Refinitiv LPC is the premier global provider of information on the syndicated loan and high yield bond markets. Our first-to-the-market news and comprehensive real-time & historic data help industry players stay informed about market trends and facilitate trading and investment decisions. (For more information on LPC's products please call +44 (0) 20 7542 8405.)

Gathered by analysts and editors solely dedicated to the global syndicated loan market, news, data and analysis from LPC are delivered via powerful on-line platforms like [Loan Connector](#) and [LPC Collateral](#) and via print publications like [Gold Sheets](#) and [basis point](#).

If you would like to discuss contributing deal information for LPC league tables, please contact LPC on +44 (0) 20 7542 8405 or [emea.loans@refinitiv.com](mailto:emea.loans@refinitiv.com).

Find out what LPC can do for your business. Visit [loanpricing.com](http://loanpricing.com) or e-mail [lpc.info@refinitiv.com](mailto:lpc.info@refinitiv.com).

©2020 Refinitiv. All rights reserved. The Refinitiv content received through this service is the intellectual property of Refinitiv or its third party suppliers. Republication or redistribution of content provided by Refinitiv is expressly prohibited without the prior written consent of Refinitiv, except where permitted by the terms of the relevant Refinitiv service agreement. Neither Refinitiv nor its third party suppliers shall be liable for any errors, omissions or delays in content, or for any actions taken in reliance thereon. Contact Refinitiv at [lpc.info@refinitiv.com](mailto:lpc.info@refinitiv.com).

## Refinitiv Copyright Notice

---

©2020 Refinitiv. All rights reserved. The Refinitiv content received through this service is the intellectual property of Refinitiv or its third party suppliers. Republication or redistribution of content provided by Refinitiv is expressly prohibited without the prior written consent of Refinitiv, except where permitted by the terms of the relevant Refinitiv service agreement. Neither Refinitiv nor its third party suppliers shall be liable for any errors, omissions or delays in content, or for any actions taken in reliance thereon. Contact Refinitiv at [lpc.info@refinitiv.com](mailto:lpc.info@refinitiv.com)