

GLOBAL LOAN MARKET DATA AND ANALYTICS BY REFINITIV LPC

July 2021

Secondary Market Bid Levels: Europe

Slide 2

European CLO New Issue Volume

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

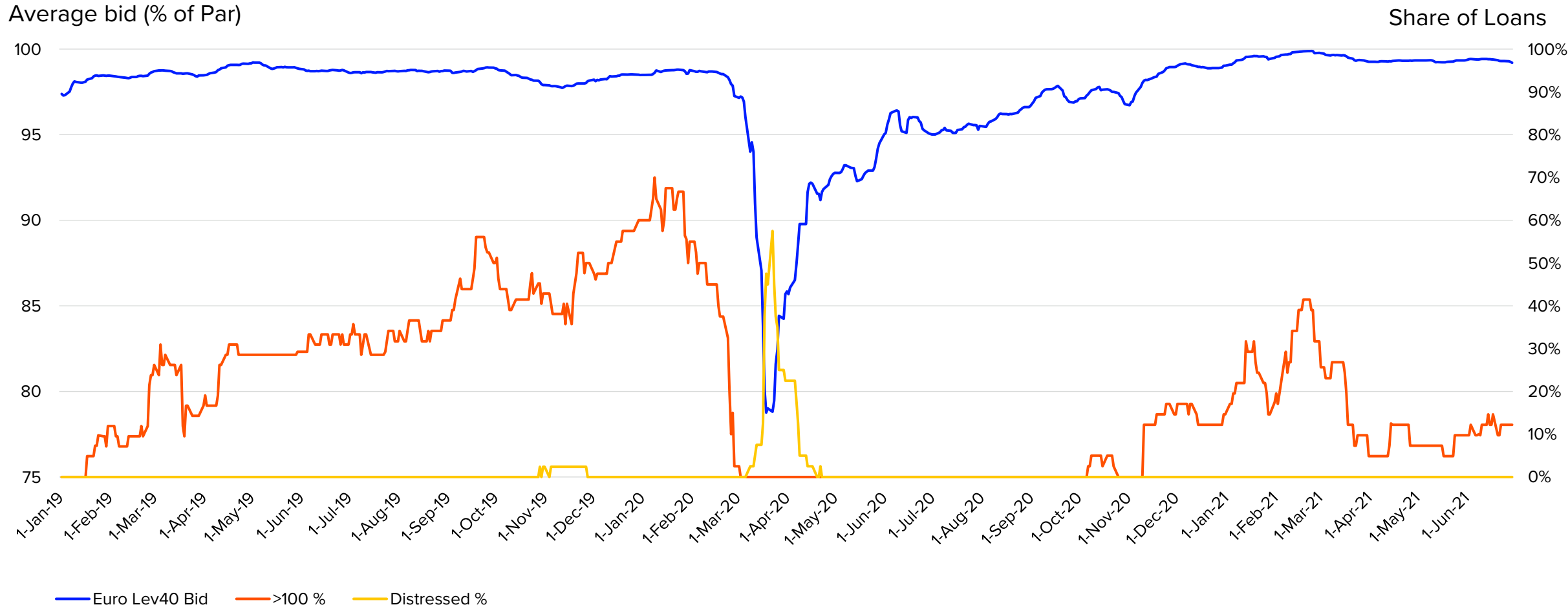
About LPC / Contact Us

Slide 10

Refinitiv LPC's Middle Market, Direct Lending & Large Corporate Loans **FREE** Virtual Conference, Fall 2021 (September 14 and 15, 2021)

Secondary Market Bid Levels: Europe

The average bid for European leveraged loans was 99.20 in June, down 14bp MoM, while the share of loans priced above par was 12.2%, up from 9.76% in the prior month. Distressed levels for the European Lev40 was 0%.



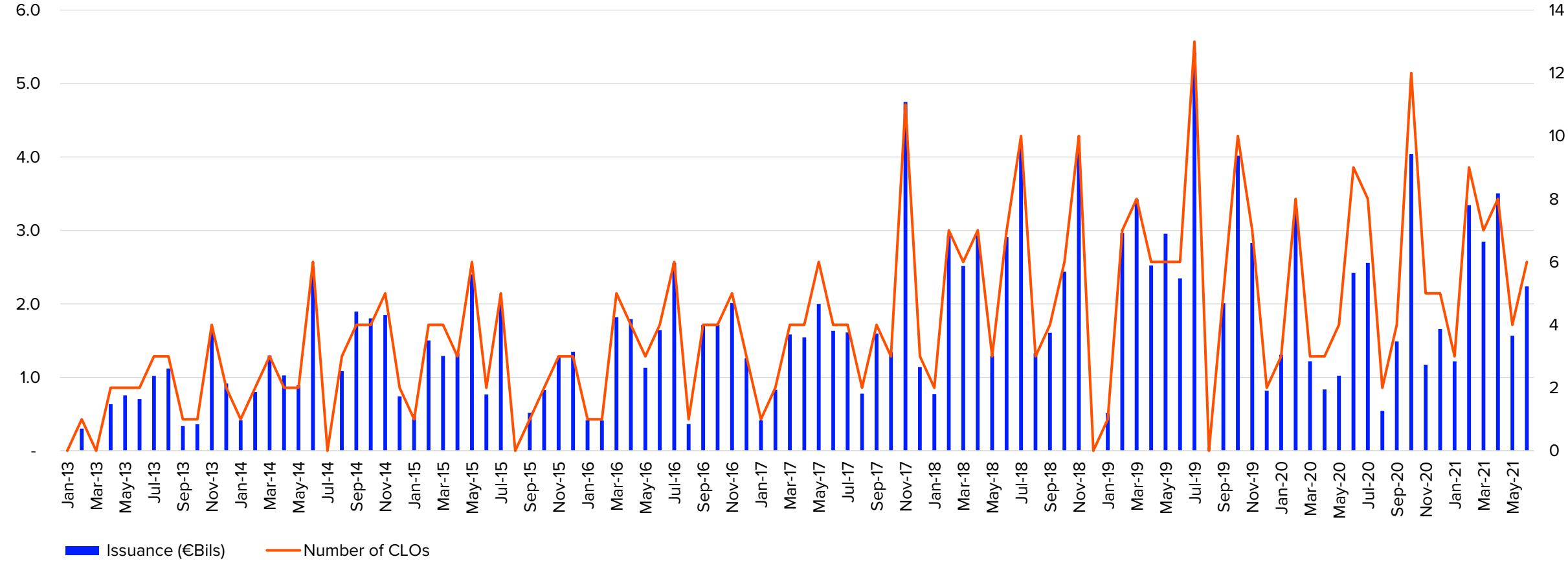
Source: Refinitiv LPC

European CLO New Issue Volume

European CLO volume ticked up to €2.24bn in June, taking 2Q21 volume to €7.3bn, in line with the previous quarter's activity. Year-to-date volume stands at €14.7bn, or 67% ahead of last year's pace but flat compared to 1H19.

CLO New Issuance (€Bils)

Number of CLOs

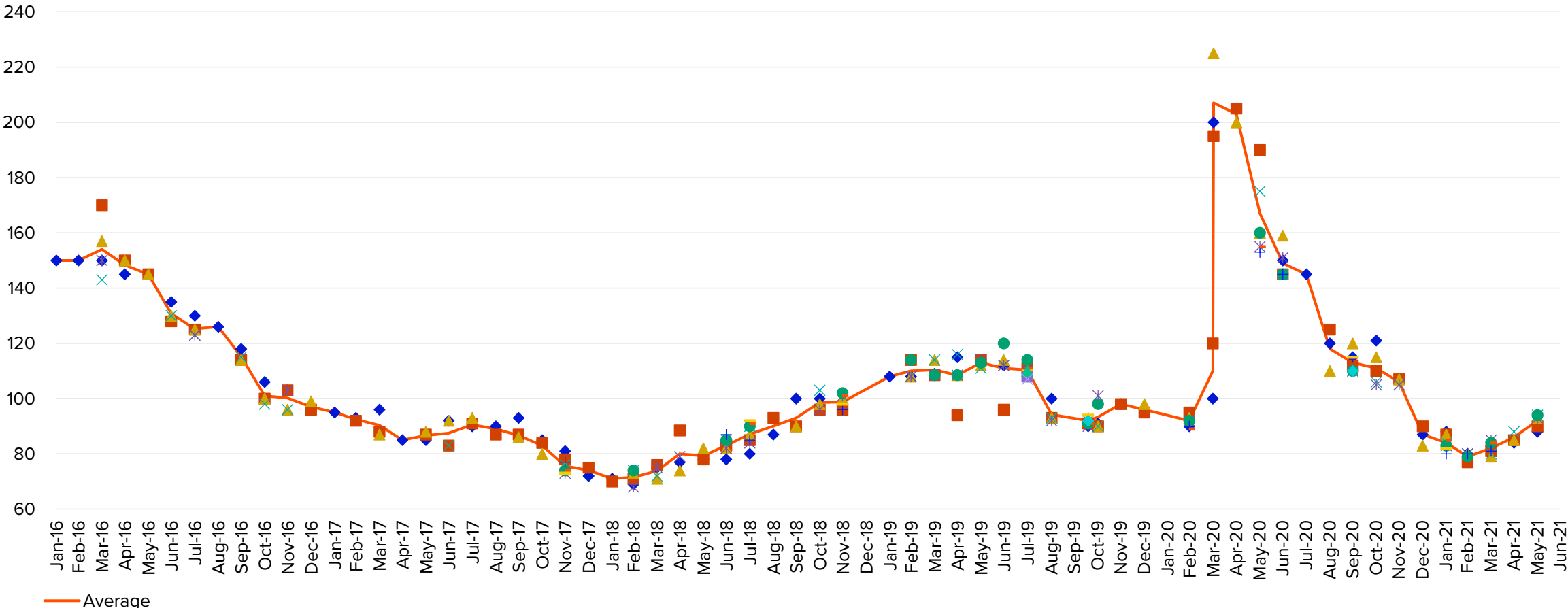


Source: Refinitiv LPC, IFR

European CLO AAA Spreads*

Triple-A spreads widened for a third consecutive month, to an average of 92bp in June or 6bp higher from the previous month. Spreads have widened by 13bp since March.

AAA Discount Margin (bp)



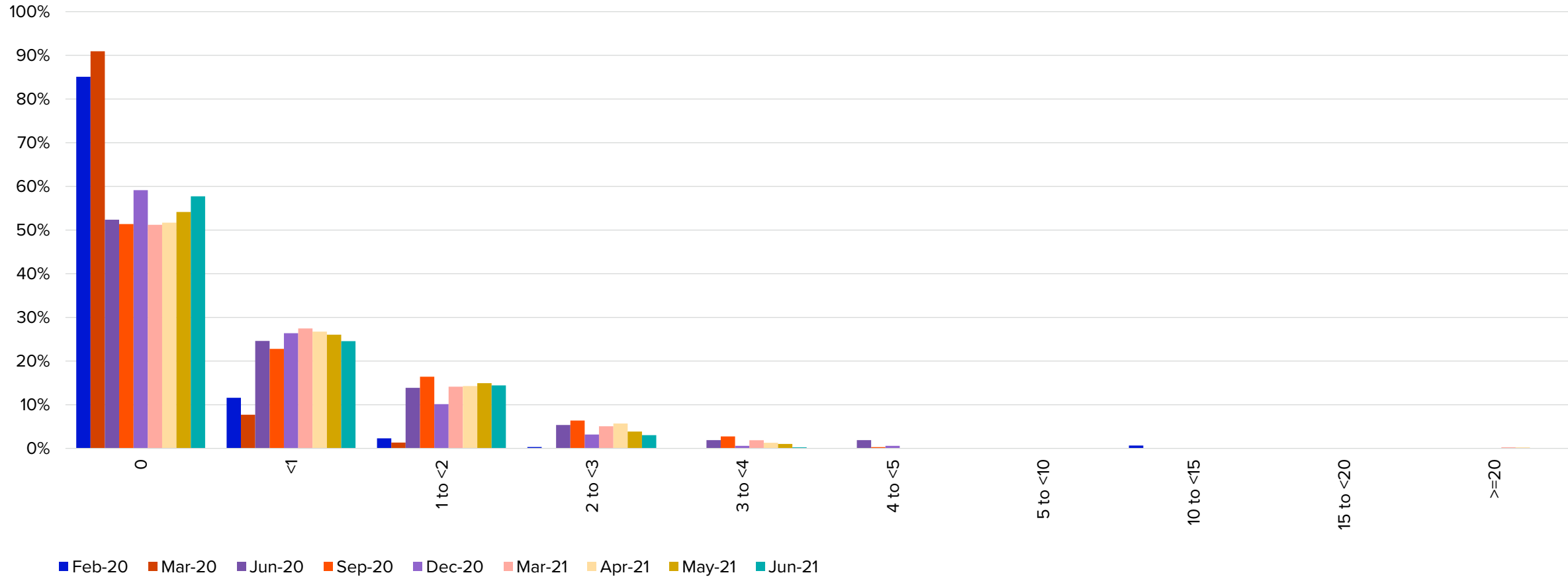
*based on deals where discount margin is available

Source: Refinitiv LPC, IFR

Defaulted Assets – European CLOs (post-crisis)

In European CLO portfolios, the share of CLOs reporting no defaults in their portfolio increased 4% to include 58% of CLOs in June. The share of CLOs reporting more than 1% of a deal’s principal balance in default stands at 18%, 2% lower month-over-month.

Share of CLO universe / Percent of assets in default



Source: LPC Collateral

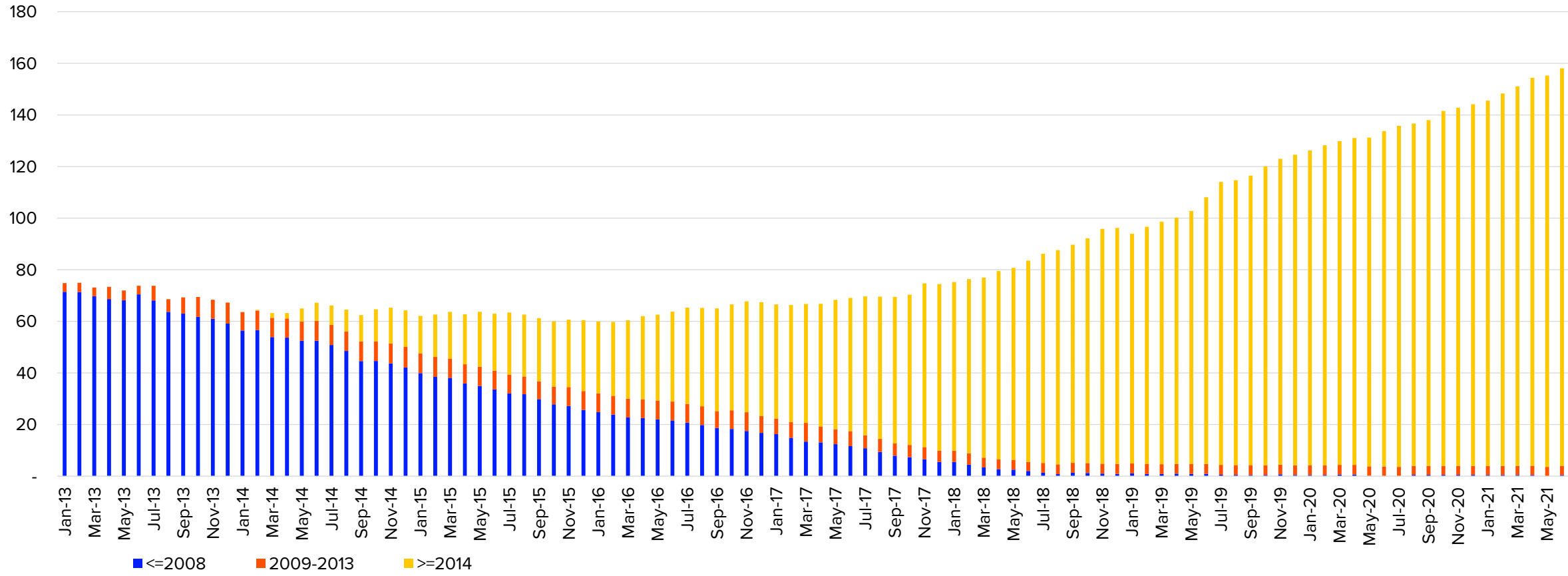
*For an overview of the CLO Distressed Market, please download Refinitiv LPC’s [Distressed Monthly](#) presentation from Loan Connector



European CLO Assets Under Management by Vintage

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

CLO APB (€Bils)

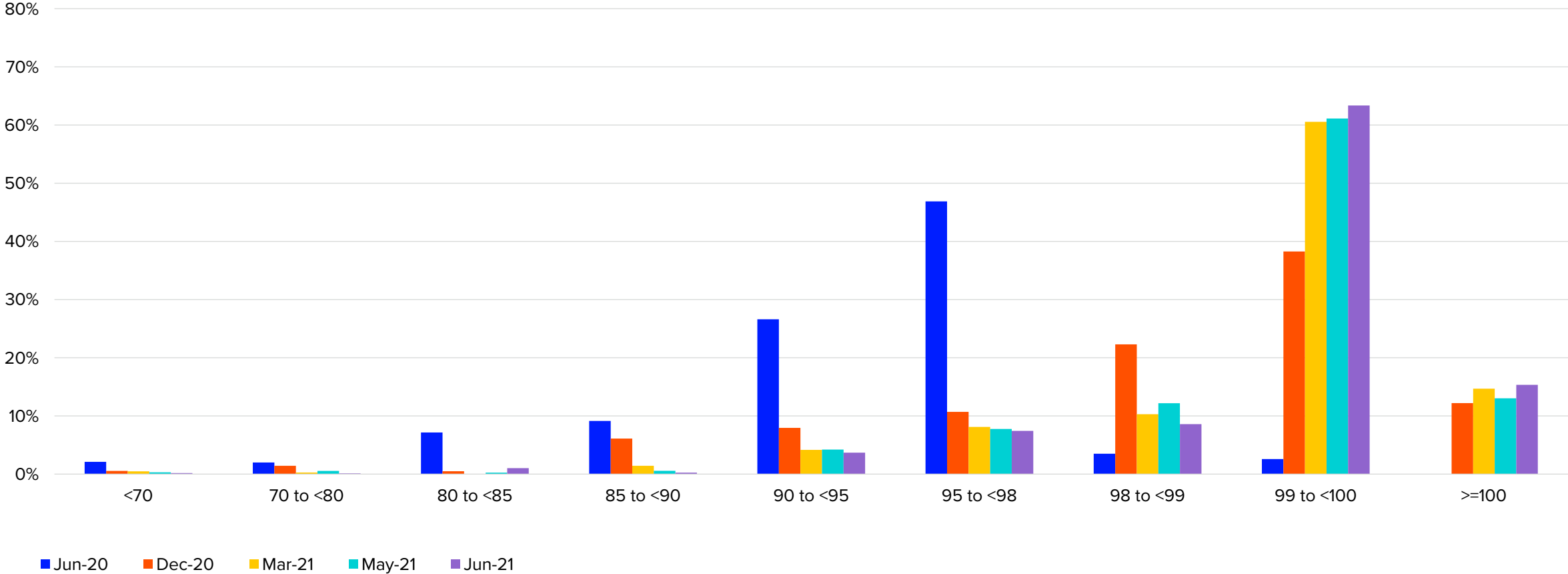


Source: LPC Collateral

Distribution of Secondary Market Prices of Loan Assets in European CLOs

In European CLOs, loan asset prices edged higher in June, with the share of assets marked between 99 and less than par up another 2% to 63%. The share priced above par also ticked higher to include 15% of assets.

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

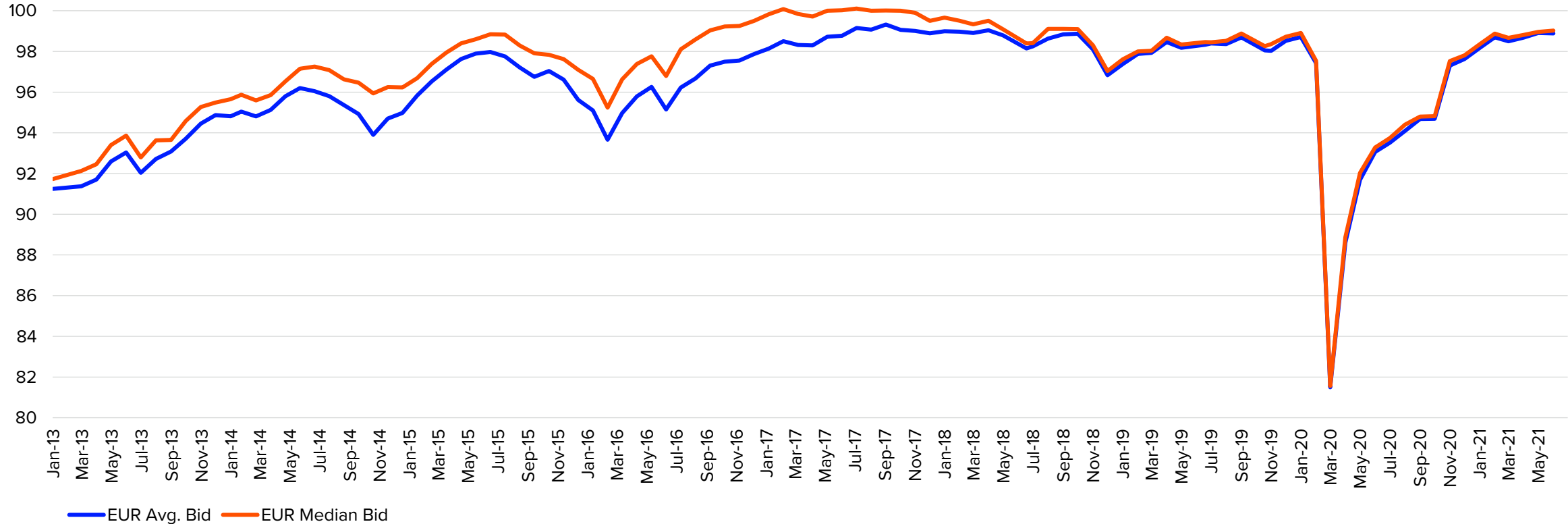


Source: LPC Collateral

Average Bid of European CLO Portfolios* (Underlying Assets)

The average bid on European CLOs edged 2bp lower in June to the 98.9 context, with the median bid at 99. Average bids are up 39bp in the second quarter and stand 126bp higher so far this year, to the highest levels since April-2018.

Avg. bid (% of Par)

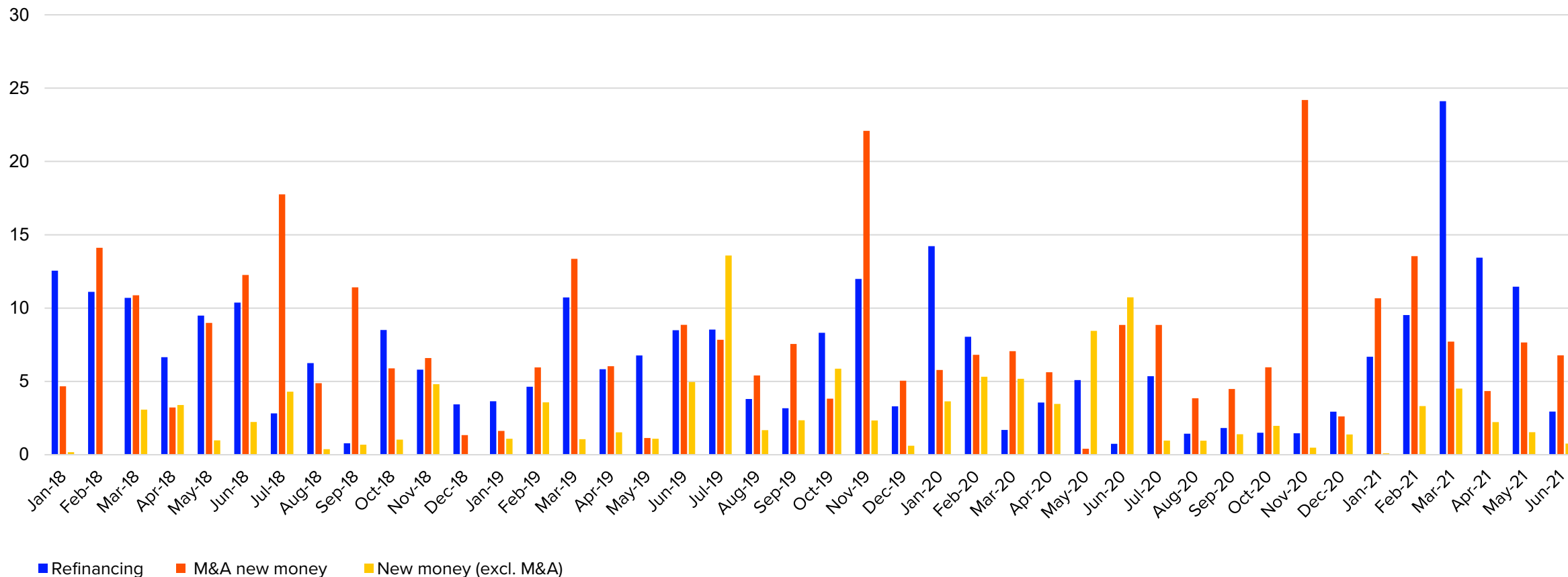


*excludes CLOs less than \$50 million in size.

EMEA Leveraged Volume by Segment – Monthly

Leveraged new money volume outpaced refinancing activity in June adding \$7.5bn of new money, compared to under \$3bn of refinancings. For 2Q21, refinancings made up 54% of activity, compared to 50% in the previous quarter.

Leveraged Loan Issuance (\$Bils)



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

Refinitiv Copyright Notice

©Refinitiv LPC. All rights reserved. The Refinitiv content received through this service is the intellectual property of Refinitiv LPC or its third party suppliers. Republication or redistribution of content provided by Refinitiv LPC is expressly prohibited without the prior written consent of Refinitiv LPC, 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 LPC at lpc.info@refinitiv.com

Refinitiv LPC's Middle Market, Direct Lending & Large Corporate Loans Virtual Conference - Fall 2021

Event Dates – September 14 and 15, 2021

Save the date!

Plan to join Refinitiv LPC for the fall 2021 edition of our **Loans Virtual Conference!** This unique virtual event will feature industry experts discussing Large Corporate, ESG, Middle Market and Direct Lending. Bankers, investors and borrowers from around the world will tune in for discussions on the most important issues facing the syndicated loan market.

The conference is **free** to access and will deliver rich content for attendees, displayed across a flexible, user-friendly and interactive platform. It is broadcast live and is also available for on-demand replays.

Click [here](#) for more information.

