

**Announcement: Moody's: EMEA leveraged finance issuance volumes plummet in 2018**

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**- Leveraged finance volumes slide by greater-than-expected 33% in 2018- Issuance comes to virtual halt in December**

London, 22 January 2019 -- EMEA leveraged finance volumes dropped significantly in 2018 falling 33% year-on-year, Moody's Investors Service said today in its monthly High Yield Interest report.

Moody's newsletter, titled "High Yield Interest: European Edition" is available on [www.moodys.com](http://www.moodys.com). Moody's subscribers can access the report via the link at the bottom of this press release. The rating agency's report is an update to the markets and does not constitute a rating action.

The key driver was the negligible leveraged finance issuance in December, with bonds virtually stopping from mid-November. Total 2018 issuance plunged to \$181 billion from \$270 billion in the previous year.

"The 33% shortfall in leveraged finance issuance compared to 2017 was even larger than expected," says Peter Firth, an Associate Managing Director at Moody's.

Bond issuance was down the most at 36%, or \$66 billion vs \$104 billion in 2017, while loans were down 31% and shared a larger share of the pie (63% vs 61% in 2017).

The European covenant quality indicator fell to 3.83 in Q4 2018, its lowest recorded level, partially due to a very weak Q3 attributable to eight bonds scoring in Moody's weakest protection category.

Subscribers can access the report at:

[http://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBC\\_1157738](http://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBC_1157738)

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