



Research Announcement: Moody's - EMEA high-yield bond issuance overtakes leveraged loans in April

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- High-yield bond issuance in EMEA jumped to \$7.6 billion in April from \$4.7 billion in March
- Leveraged loan issuance in the region plunged to \$1.2 billion from \$9 billion

High-yield bond issuance jumped in EMEA in April to overtake leveraged loans, which declined dramatically, Moody's Investors Service says today in its monthly High Yield Interest report.

Bond issuance rose to \$7.6 billion in April, from \$4.7 billion in March, while leveraged loan issuance was very low, declining to \$1.2 billion from \$9 billion.

"It's noteworthy that four of the bond issuers were UK companies and two, William Hill and Tesco, issued in sterling, taking advantage of the Brexit delay window," said Kristin Yeatman, VP-Senior Analyst at Moody's. "Still, in most years, April is a strong month for bond issuance, when bonds significantly exceed loans."

In April, there was one new bond issuer, Telepizza, and no new loan issuers. It was also noticeable that ratings were more dispersed from Ba1 to B3 in bonds, unlike in previous months when issuance was concentrated in the Ba space. In April, five out of the 10 bond issuers had a single B rating. This risk appetite has continued into May with Altice issuing subordinated bonds with a rating of Caa1.

Subscribers can access the report at: http://www.moody's.com/researchdocumentcontentpage.aspx?docid=PBC_1174754

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