

Chart of the Day

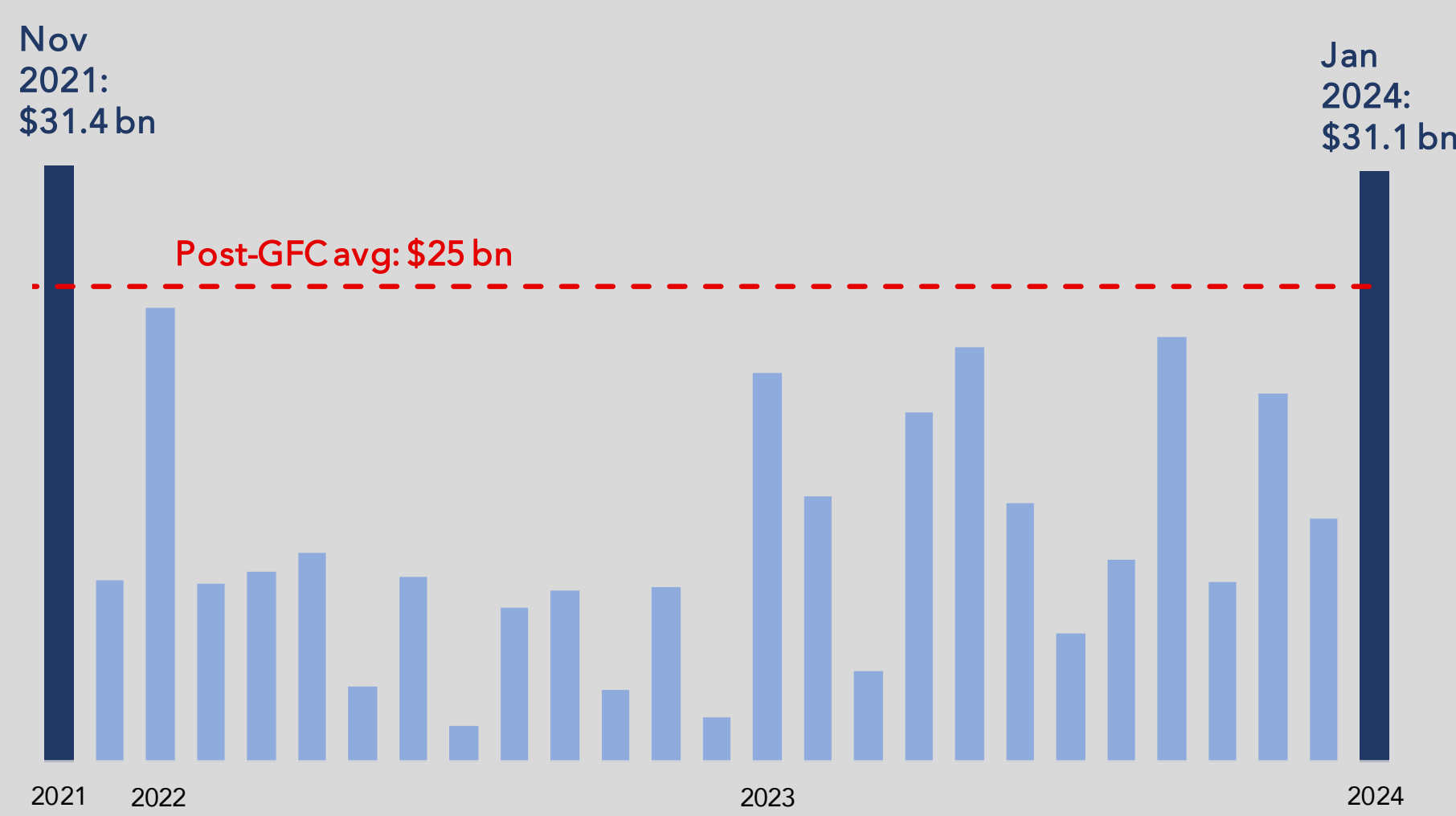


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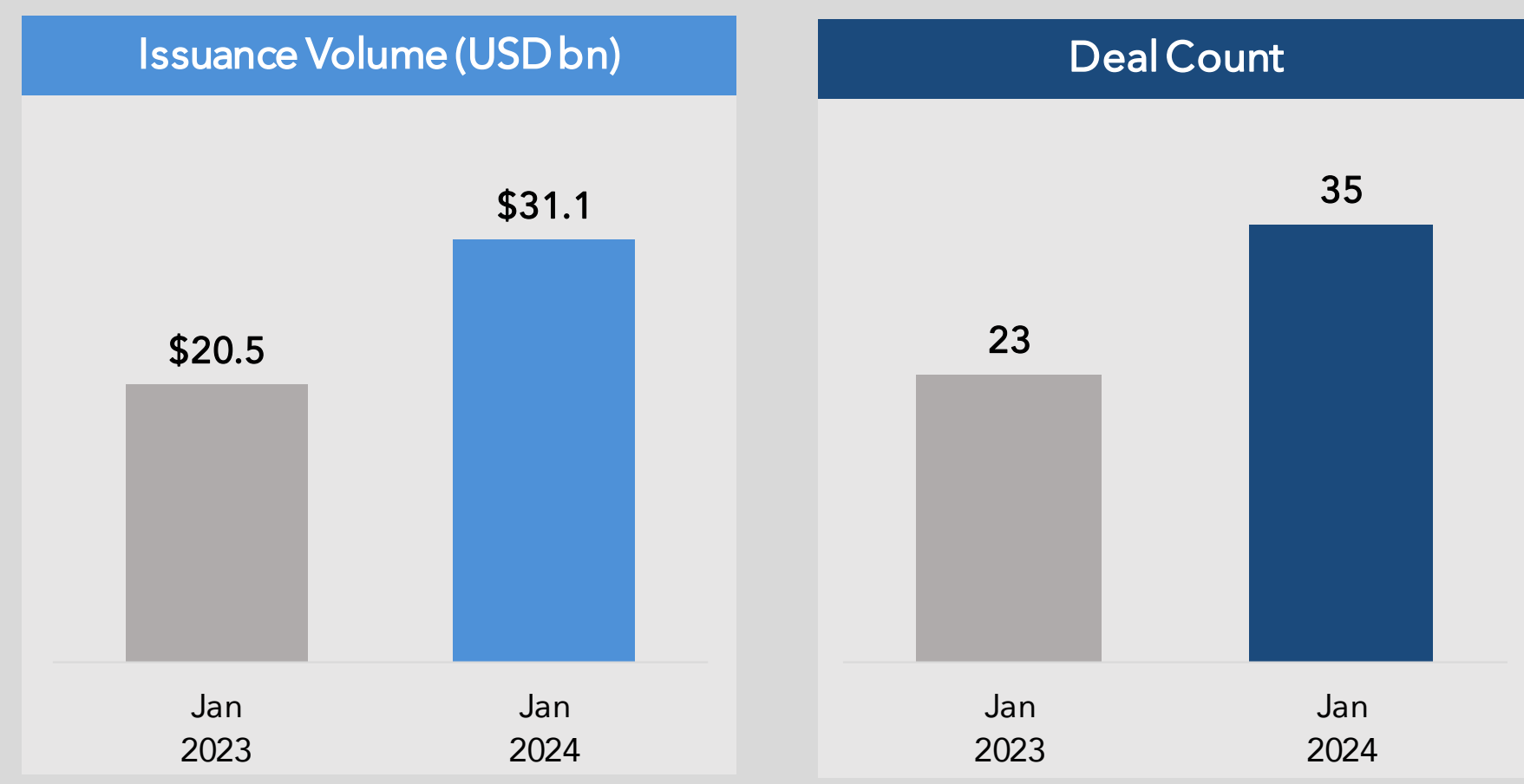
After a slower start to the year, late January USD high yield issuance surged to make monthly issuance the largest since November 2021. Total monthly volume of \$31 bn well surpassed consensus expectations of \$20 - 25 bn.

Monthly HYUSD issuance, bn



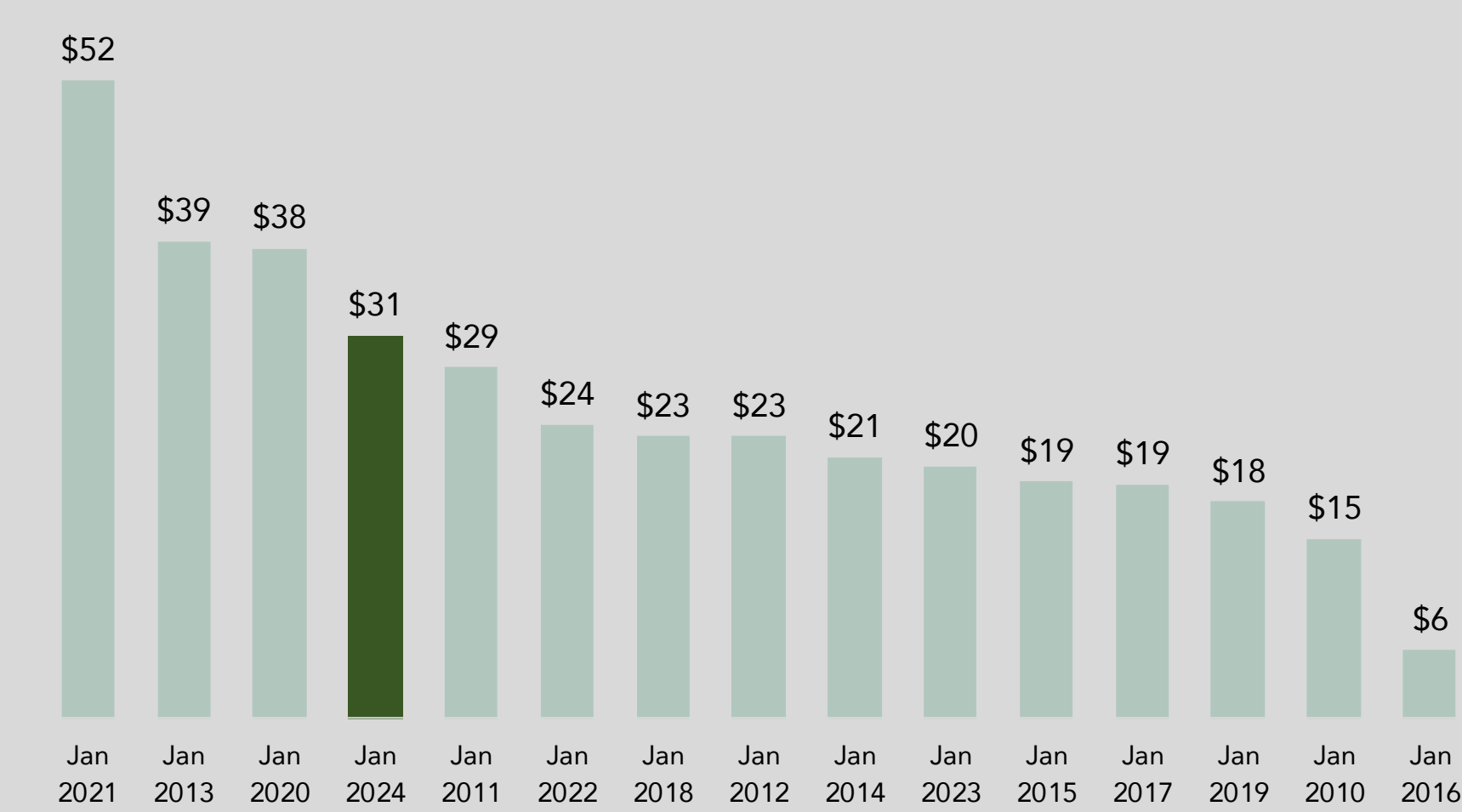
The late January surge in deal activity drove 2024 activity higher than one year ago on both a volume and deal count basis.

January 2023 vs. January 2024 HY issuance volume and deal count



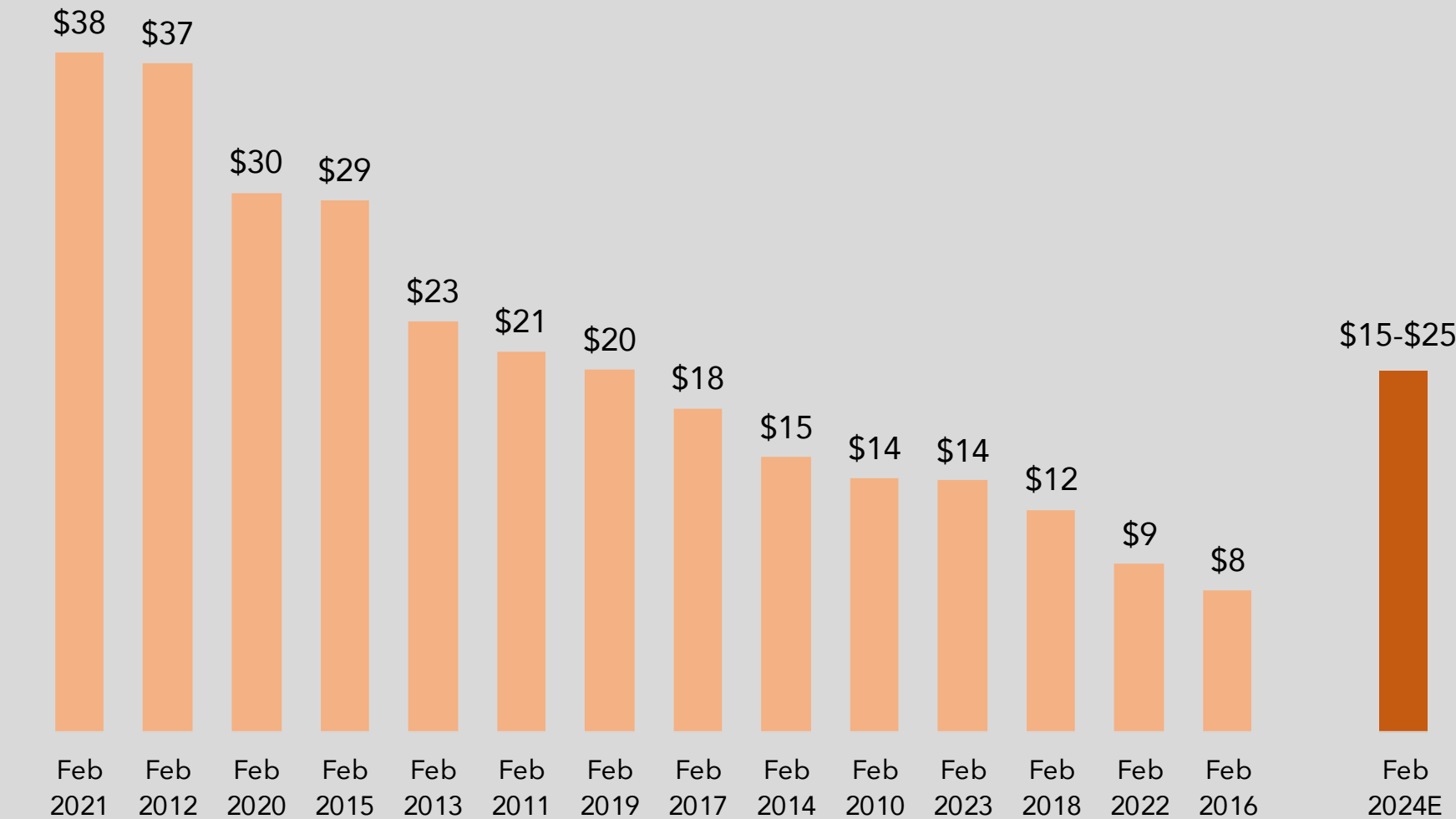
January 2024 high yield issuance surpassed the post GFC monthly average of \$25 bn and was the largest January since 2021.

January HY USD issuance, bn



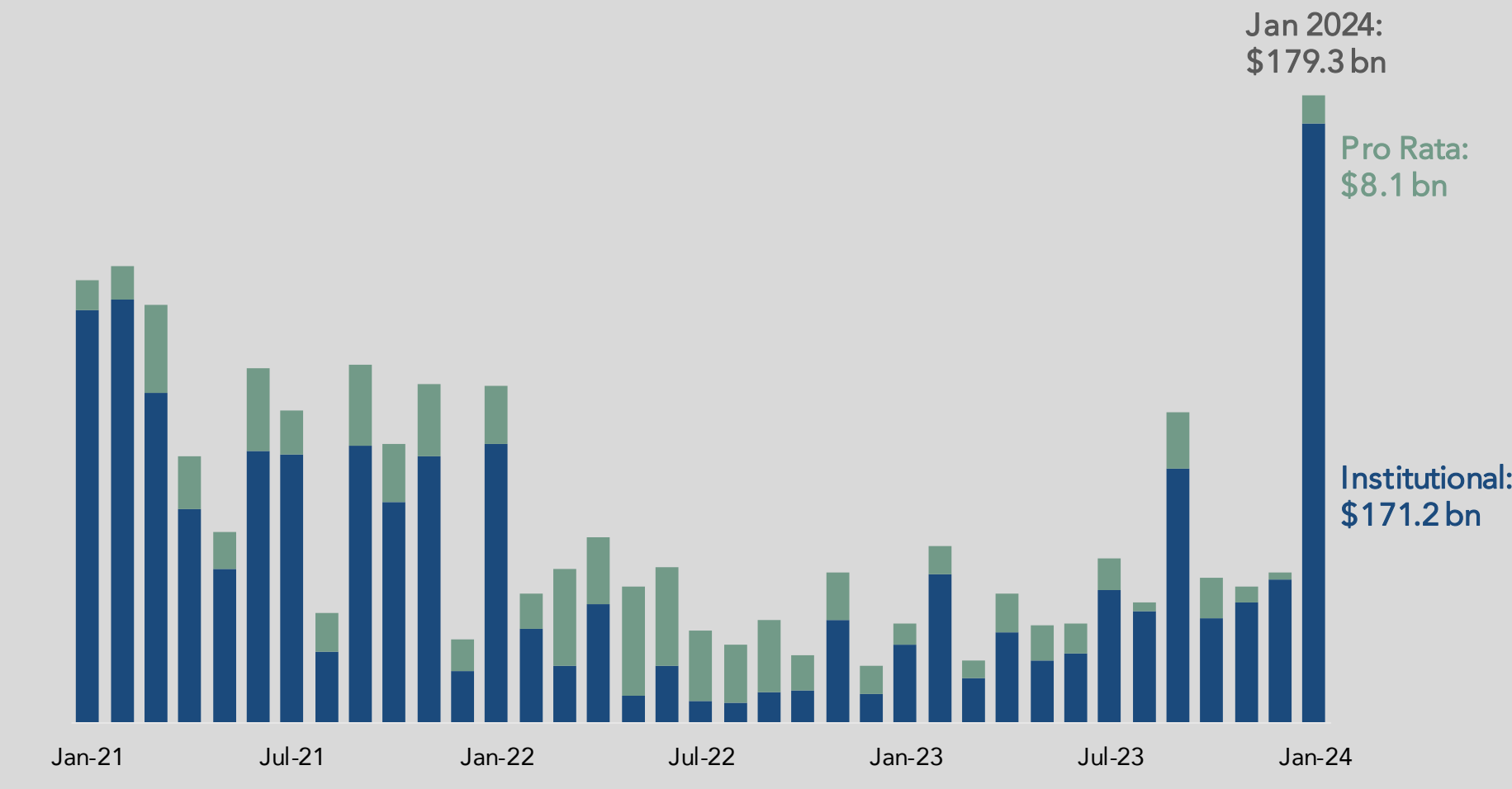
With upcoming maturity walls in 2025 and 2026, consensus expectations are for the active deal market to continue in February as issuers take advantage of tight spreads and strong investor demand. Consensus expectations are for February 2024 volumes to outpace 2023's \$13 bn as well as the post GFC February average of \$20 bn.

February HY USD issuance, bn



Total leverage loan volumes reached \$179 bn in January, over 4x December's volume. The vast majority of deals were in the form of TLBs (95%), versus just 5% in the pro rata market. While total volumes were elevated, new money issuance remains low as the majority of volume is coming from re-pricings (highest monthly repricing volume since January 2020).

Monthly USD leveraged loan issuance USD volumes, bn



Source: (1-4) CFR. Data as of February 1, 2024. February syndicate estimate calculated using the wide end of the ranges with the skew towards the high end of the range. (5) PitchBook. Data as of January 31, 2024. Institutional volume represents new money, repricings, and extensions.

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“Macro stability isn’t everything, but without it, you have nothing.”