Bloomberg US Leveraged Loan Index Monthly

December 2024

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Bloomberg US Leveraged Loan Index[1] Performance Highlights

- The Bloomberg US Leveraged Loan Index (Ticker: LOAN), a measure of the US institutional, broadly syndicated, leveraged loan market, continued its steady positive trend in November, posting a 0.83% return. This marks the 18th consecutive positive monthly return for the LOAN index, and brings its YTD return to 8.29%.
- After outperforming other fixed income market sectors last month, loans generally underperformed in November as longer duration bonds benefitted from declining Treasury yields. While the LOAN Index (November: 0.83%, YTD: 8.29%) outperformed the US Floating Rate Notes (0.45%, 5.94%) this month, it underperformed versus the US Aggregate (1.06%, 2.93%), the US Corporate Investment Grade (1.34%, 4.14%) and the US Corporate HY (1.15%, 8.66%). With exception of US High Yield, loans have outperformed other fixed income sectors on a YTD basis.
- On a liquidity spectrum, larger sized (as measured by amount outstanding) loans continued to outperform smaller sized loans. The Bloomberg US Leveraged Loan $2bn+ Index (Ticker: LIQLOAN), a carve-out of the LOAN Index with loans of amount outstanding >= $2bn, posted a 1.01% return this month, while the Bloomberg US Leveraged Loan 1bn+ and the 500mn+ indices posted returns of 0.88% and 0.84% respectively.

Figure 1
Bloomberg US Leveraged Loan Index Returns (November 2024)

Index Name	Ticker	1D Rtn	MTD Rtn	YTD Rtn	Members
US Leveraged Loan Index	I38932US	0.07%	0.83%	8.29%	1,307
Sector					
Financial Institutions	I38943US	0.08%	0.99%	8.67%	120
Industrials	I38944US	0.06%	0.81%	8.21%	1,154
Utilities	I38945US	0.05%	1.00%	10.09%	32
Quality					
Ba	I38940US	0.06%	0.87%	7.44%	327
B	I38937US	0.07%	0.93%	8.61%	788
Caa	I38939US	0.06%	-0.11%	9.33%	168
Ca-D	I38936US	0.22%	1.09%	-16.08%	24
Ba/B	I38935US	0.06%	0.91%	8.29%	1,115
Liquidity					
US Leveraged Loan 500MM+	I38941US	0.06%	0.84%	8.17%	947
US Leveraged Loan 1bn+	I38942US	0.06%	0.88%	8.26%	468
US Leveraged Loan 2bn+	I38938US	0.06%	1.01%	8.21%	148

Source: Bloomberg

Rebalance Highlights

- Market value (MV) of the LOAN Index slightly declined to $1.31tn at the November month-end, from $1.32tn at the prior month-end. The number of loans in the index declined to 1,295 from 1,307 during this period, with 65 loans entering, 77 leaving and 115 having their amount outstanding adjusted in the index. The LIQLOAN Index shrunk at the November month-end (MV: $426bn, Count: 144) from the prior month-end ($432bn, 148).
- Both Yield to Maturity (YTM) and Yield to 3 Year (YT 3 Yr) declined at the November month-end. For the LOAN Index, YTM and YT 3 Yr decreased to 8.22% and 8.41% respectively at the November month-end, from 8.29% and 8.49% at the prior month-end. For the LIQLOAN Index, these decreased to 7.42% and 7.53% respectively, from 7.54% and 7.68%, during this period.
- Both discount margin (DM) and DM 3 year (DM 3 Yr) tightened further for the LOAN and the LIQLOAN index at this month-end. For the LOAN Index, DM and DM 3 Yr tightened to 442 and 453 respectively at the November month-end, from 448 and 464 at the prior month-end. For the LIQLOAN Index, these tightened to 363 and 365 respectively, from 374 and 383, during this period.

Figure 2
Bloomberg US Leveraged Loan Index Analytics (Nov 2024)

Index Name	Ticker	YTM	YT 3 Yr	Spread	DM 3 Yr
US Leveraged Loan Index	LOAN	8.22	8.41	442.4	453.29
Sector					
Financial Institutions	I38943US	7.28	7.33	348.9	345.56
Industrials	I38944US	8.37	8.58	456.7	469.84
Utilities	I38945US	7.15	7.17	337.5	330.45
Quality					
Ba	I38940US	6.28	6.36	250.9	248.89
B	I38937US	7.93	8.04	413.0	416.29
Caa	I38939US	15.52	16.55	1,167.8	1,265.05
Ca-D	I38936US	38.27	42.34	3,453.7	3,863.69
Ba/B	I38935US	7.48	7.58	368.4	370.24
Liquidity					
US Leveraged Loan 500MM+	I38941US	8.07	8.24	427.6	436.50
US Leveraged Loan 1bn+	I38942US	7.86	8.01	406.8	414.07
US Leveraged Loan 2bn+	I38938US	7.42	7.53	363.1	365.73

Source: Bloomberg

[1] Financial Instrument Global Identifier (FIGI) for indices referenced in the monthly publication can be found using OpenFIGI.com. For example, FIGI BBG01PL3L2C2 is for the Bloomberg US Leveraged Loan Total Return Unhedged USD Index (Ticker: LOAN)

Bloomberg Intelligence

Noel Hebert – Head of Credit Research

- Portions of Tech, Communications With Added Discount

Figure 3

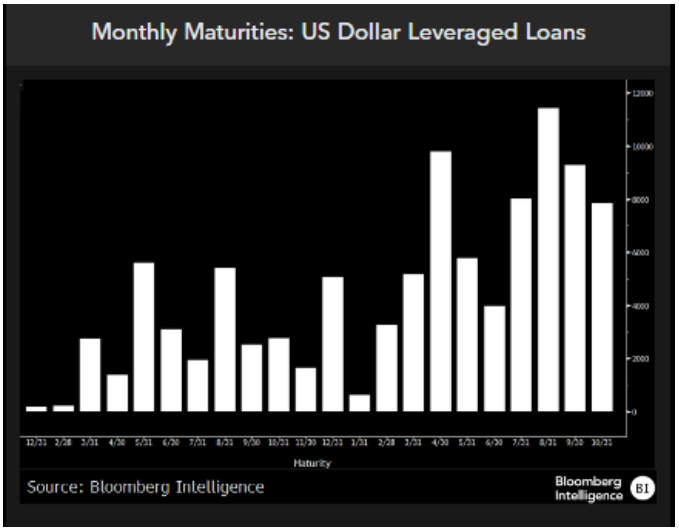
Discount Margin to 3-Year: Sector and Maturity

Discount Margins Sector / Maturity	2026	2027	2028	2029	2030	2031
Basic Industry	692.2	351.7	455.4	363.5	348.4	326.5
Brokerage Assetmanagers Exchanges	194.9	581.4	294.3	564.6	381.6	302.3
Capital Goods	543.9	286.5	412.3	411.5	322.6	289.1
Communications	918.2	599.4	476.4	560.5	348.8	322.3
Consumer Cyclical	473.0	503.8	570.3	365.2	244.2	273.7
Consumer Non-Cyclical	1,128.3	451.0	411.5	500.9	387.9	316.8
Electric	619.8	320.1	461.4	148.4	297.7	309.9
Energy	94.4		256.1	419.2	224.2	340.3
Finance Companies	221.9	295.8	188.5			
Insurance	318.5	284.3	420.9	427.9	297.6	304.4
REITs	336.5	258.4	355.3	465.4	218.0	338.9
Technology	666.1	854.3	575.5	508.1	381.3	294.6
Transportation	425.9	236.2	479.0	489.5	394.2	187.3

Source: Bloomberg Intelligence

- Monthly maturities across US dollar leveraged loans are negligible throughout 2025, with the first $10 billion-plus month not until August 2026. Continued strong issuance across both loans and corporates has steadily eroded the 2025 and 2026 loan-maturity calendars, with the former benefited by persistent strong trends in the collateralized loan obligation (CLO) market.
- The 2025 loan-maturity calendar is down to an estimated $33 billion in maturities vs. an estimated $112 billion entering the year, and 2026 maturities have fallen below $100 billion, lower by more than half year to date.

Figure 4



- Over half of the Bloomberg US Leveraged Loan Index is comprised of 2024-vintage paper, nearly $275 billion of which has an original maturity of 2031. Much of the rest of year-to-date issuance is roughly split across 4-6 year tenors, while a slight majority of what's left of earlier vintages (most notably 2021) is in 2028 maturities.
- Across all maturities, consumer cyclicals and technology are largest, with more than $250 billion in par value outstanding apiece.

Figure 5

Sector and Maturity Distribution

Sum of Par Val ($MM) Sector (Class 3)	Maturity Y 2026	2027	2028	2029	2030	2031
Basic Industry	$ 3,010	$ 6,545	$ 20,306	$ 13,814	$ 14,713	$ 8,394
Brokerage Assetmanagers Excl	$ 625	$ 2,775	$ 19,442	$ 1,050	$ 2,512	$ 9,350
Capital Goods	$ 4,006	$ 14,465	$ 63,586	$ 30,112	$ 17,705	$ 38,754
Communications	$ 17,388	$ 19,932	$ 41,697	$ 20,167	$ 10,788	$ 15,684
Consumer Cyclical	$ 12,438	$ 26,165	$ 92,113	$ 46,484	$ 33,671	$ 44,748
Consumer Non-Cyclical	$ 6,119	$ 41,391	$ 73,105	$ 25,086	$ 11,962	$ 28,567
Electric	$ 1,232	$ 3,924	$ 1,303	$ 789	$ 4,856	$ 11,051
Energy	$ 1,634		$ 9,409	$ 8,627	$ 9,234	$ 5,487
Finance Companies	$ 1,148	$ 925	$ 3,940			
Insurance	$ 3,100	$ 4,203	$ 11,730	$ 5,125	$ 13,675	$ 27,563
Other Financial	$ 1,931	$ 1,197	$ 9,796	$ 3,721	$ 4,617	$ 8,360
Other Industrial		$ 4,415	$ 12,127	$ 5,255	$ 5,475	$ 5,165
Other Utility			$ 829			
REITs	$ 3,289	$ 590	$ 290	$ 1,057	$ 293	$ 300
Technology	$ 12,980	$ 15,789	$ 97,973	$ 67,975	$ 14,801	$ 56,266
Transportation	$ 1,636	$ 2,828	$ 18,516	$ 4,369	$ 1,913	$ 12,029
Grand Total	**$ 70,535**	**$ 145,142**	**$ 476,162**	**$ 233,632**	**$ 146,215**	**$ 271,717**
Average Price	93.49	94.91	94.73	94.87	98.34	100.06

Source: Bloomberg Intelligence

For further details on the Bloomberg US Leveraged Loan Indices, please refer to IN LOAN <GO> on the Bloomberg Terminal. Figure 1 and 2 are using IN LOAN <GO> on the Terminal. Figure 3, 4 and 5 are from {NSN SNVGR6DWRGG1 <GO>} on the Terminal.

Bloomberg US Leveraged Loan Indices

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