Bloomberg US Leveraged Loan Index Monthly

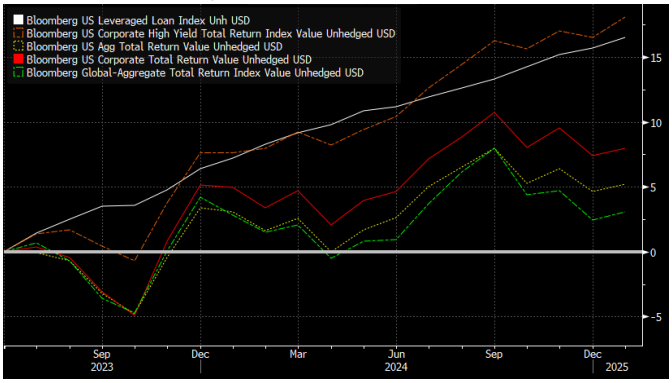
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Bloomberg US Leveraged Loan Index[1] Performance Highlights

- The Bloomberg US Leveraged Loan Index (Ticker: LOAN), a measure of the US institutional, broadly syndicated, leveraged loan market, started the year on a positive note (0.67%). This was its 20th consecutive positive monthly return, and unrivalled by other US fixed income asset classes. See Figure 1.
- The LOAN Index (0.67%) underperformed the US Corporate HY (1.37%), while outperforming other US fixed income asset classes in January. In comparison, the US Aggregate, the US Corporate Investment Grade, and the US Floating Rate Notes Index returned 0.53%, 0.55% and 0.44% respectively during this period. While the LOAN Index had a steady upward march since June 2023, it underperformed the US High Yield Corporate Index during this period, while outperforming other US fixed income asset classes. See Figure 1.
- Higher liquidity loans, as measured by the amount outstanding thresholds, outperformed the lower liquidity loans. The Bloomberg US Leveraged Loan $2bn+ Index (Ticker: LIQLOAN), a carve-out of the LOAN Index with loans of amount outstanding >= $2bn returned 0.77% in January, and compares to 0.66% and 0.69% returns posted by the $500mn+ and $1bn+ Indices respectively.

Figure 1
Performance of LOAN Index vs. other Fixed Income asset classes (June 2023 - January 2025)



Source: Bloomberg

Rebalance Highlights

- Market value (MV) of and number of instruments in the LOAN Index increased to $1.33tn and 1,285 loans respectively at this month-end, from $1.28tn and 1,262 respectively at the December month-end. During this period, 81 loans entered, 58 loans exited, and 76 loans had their amount outstanding adjusted within the index. MV and number of instruments in the LIQLOAN Index climbed to $441bn and 151 loans respectively at the January month-end, compared to $416bn and 142 respectively at the prior month-end.
- Yields, as measured by the Yield to 3 Year, declined at this month-end. Yield to 3 Year for the LOAN Index and the LIQLOAN Index declined to 8.53% and 7.66% respectively at the January-month-end, from 8.63% and 7.79% at the prior month-end.
- Discount margins, as measured by Discount Margin 3 year (DM 3 Yr) tightened at the January month-end. DM 3 Yr for the LOAN and the LIQLOAN Index tightened to 453 and 366 respectively, from 460 and 376 at the prior month-end.

Figure 2
Bloomberg US Leveraged Loan Index Analytics (Jan 2025)

Index Name	Ticker	YTM	YT 3 Yr	Spread	DM 3 Yr
US Leveraged Loan Index	LOAN	8.44	8.53	442.9	453.01
Sector					
Financial Institutions	I38943US	7.36	7.34	336.2	334.97
Industrials	I38944US	8.60	8.71	459.0	470.85
Utilities	I38945US	7.20	7.15	320.7	316.24
Quality					
Ba	I38940US	6.43	6.40	242.8	240.85
B	I38937US	8.10	8.14	409.7	413.22
Caa	I38939US	15.99	16.79	1,196.4	1,275.52
Ca-D	I38936US	39.04	43.17	3,516.5	3,927.64
Ba/B	I38935US	7.64	7.66	363.8	365.84
Liquidity					
US Leveraged Loan 500MM+	I38941US	8.28	8.36	427.9	436.22
US Leveraged Loan 1bn+	I38942US	8.04	8.11	404.1	410.72
US Leveraged Loan 2bn+	I38938US	7.63	7.66	362.3	366.43

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

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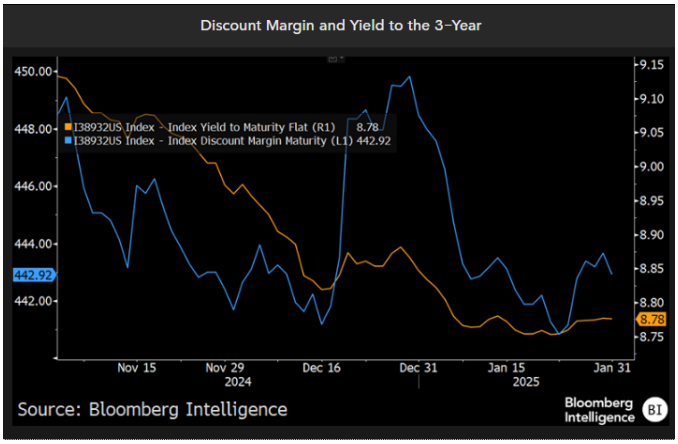
- Index Expands by 23 Loans, $47 Billion in February Rebalancing

Figure 3



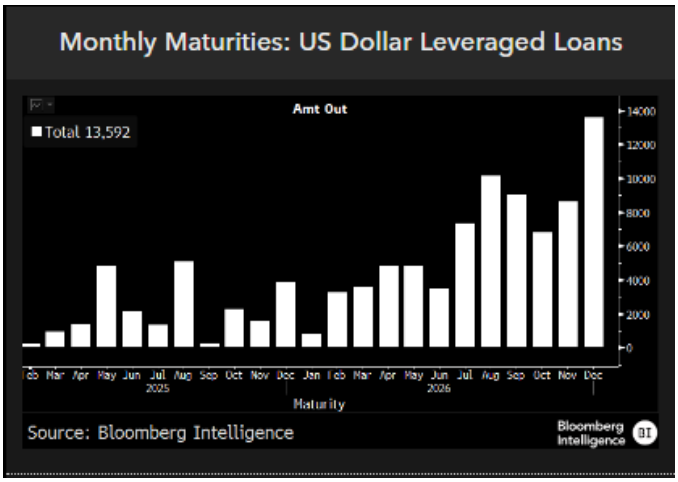
- Discount Margin Tighter by 6 Bps in January to 442 Bps

Figure 4



- Monthly maturities across US dollar leveraged loans are negligible throughout 2025, with the first $10 billion-plus month not until August 2026. Solid issuance across both loans and corporates has steadily eroded the loan-maturity calendars, with an estimated $24 billion coming due in 2025 and another $76 billion due in 2026.
- In total, just $54 billion is set to exit the Bloomberg US Leveraged Loan Index throughout 2025 owing to the maturity rule.

Figure 5



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 COMP <GO> and IN LOAN <GO> respectively on the Bloomberg Terminal.

Bloomberg US Leveraged Loan Indices

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