
Q32 snapshot

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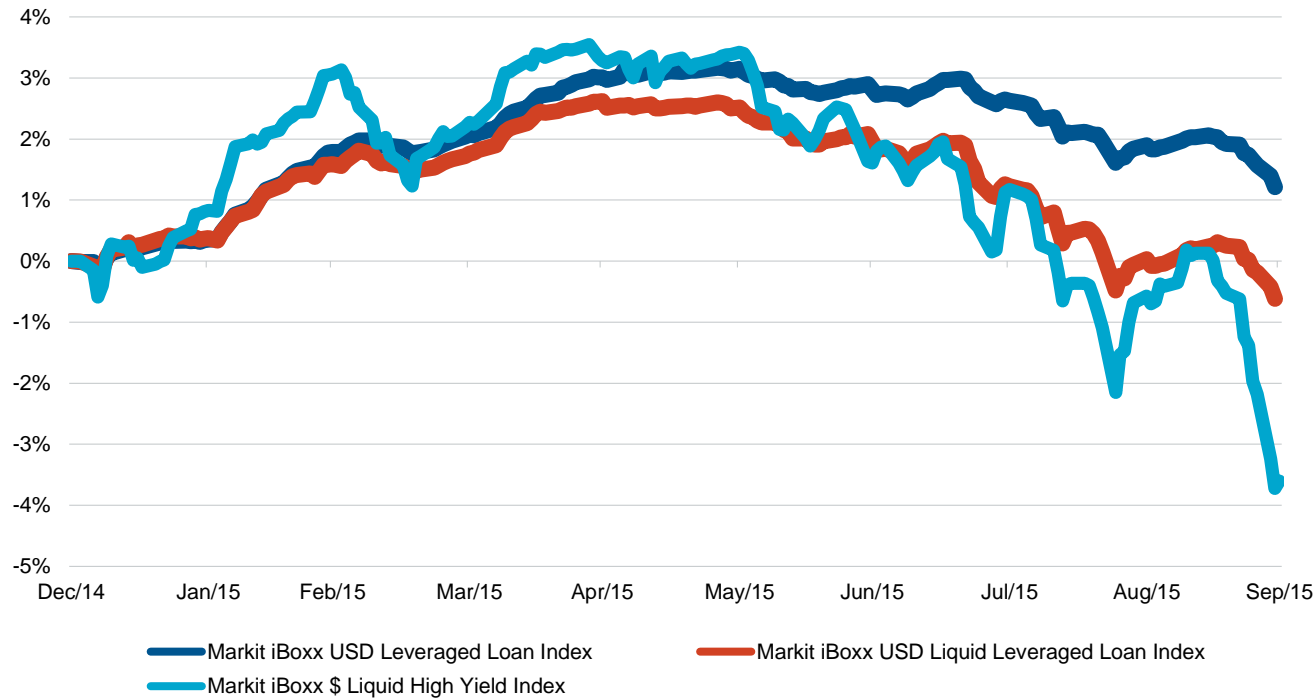
Q3 2015 loan market snapshot

Markit \ October 1st 2015

Q2 Markit loans data snapshot

- Index and pricing data
- Sector focus: energy
- CLO market trend
- ETF fund flows
- Loan market settlement volumes

Leveraged loan and HY bond total returns 2015



Cash loan indices	1D	MTD	QTD	YTD
Markit iBoxx Leveraged Loan Index	-0.19%	-0.68%	-1.44%	1.21%
Markit iBoxx Liquid Leveraged Loan Index	-0.20%	-0.65%	-2.34%	-0.62%

Pricing trend: average bids in the secondary market

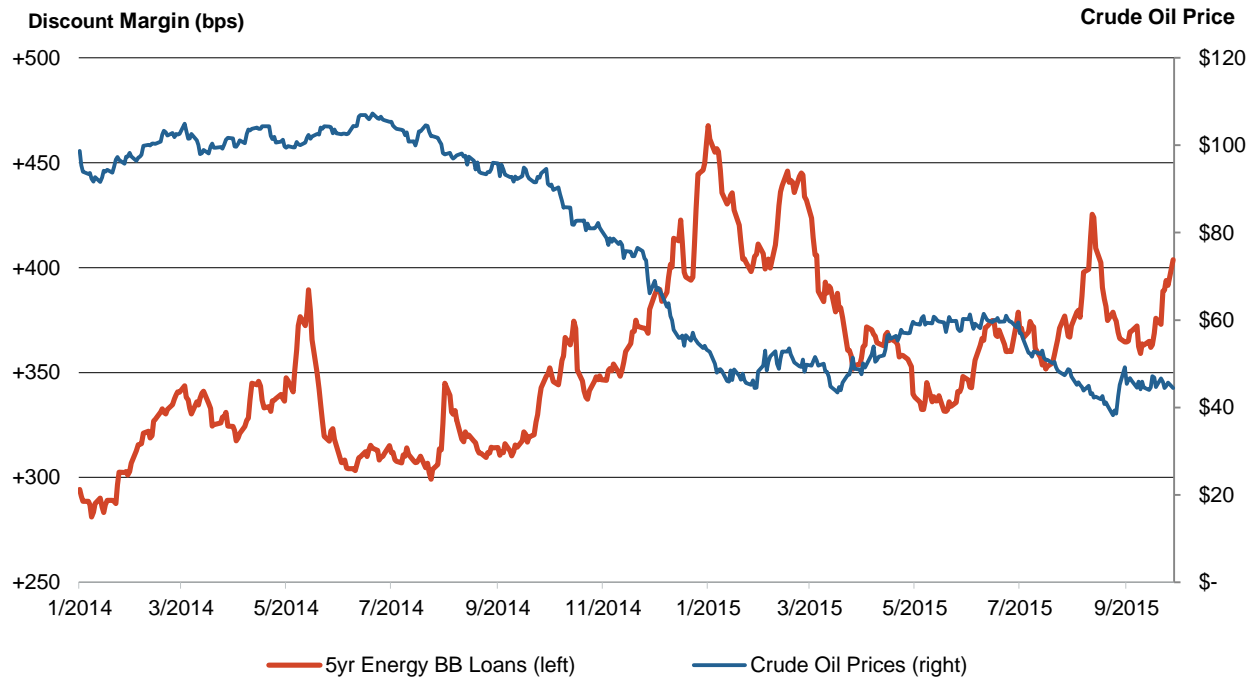
Region	Average bid	QTD Δ	YTD % Δ
US	95.61	-1.04%	-0.62%
Europe	92.64	-0.12%	1.91%
Asia	78.98	0.11%	-5.77%

Pricing trend: average spreads by credit rating (globally)

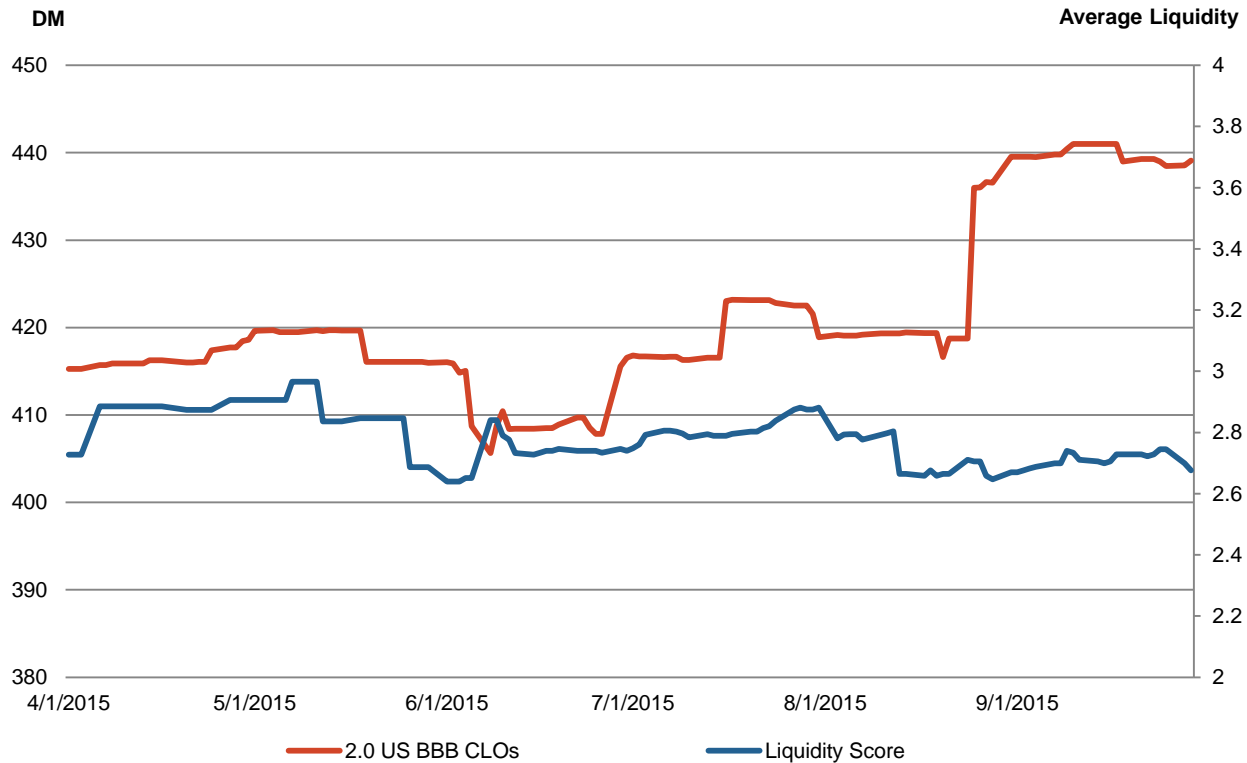
Average loan spreads by rating at 30 June	1 year tenor	3 year tenor	5 year tenor	7 year tenor
BB	L+283.53	L+315.59	L+340.25	L+361.55
B	L+470.23	L+502.29	L+526.96	L+548.25
CCC	L+827.18	L+859.24	L+883.90	L+905.20

Average loan spreads Q3 Δ	1 year tenor	3 year tenor	5 year tenor	7 year tenor
BB	7.78%	9.77%	10.57%	10.97%
B	8.30%	9.60%	10.20%	10.52%
CCC	8.46%	5.04%	-1.97%	5.73%

Sector focus: Energy BB loans



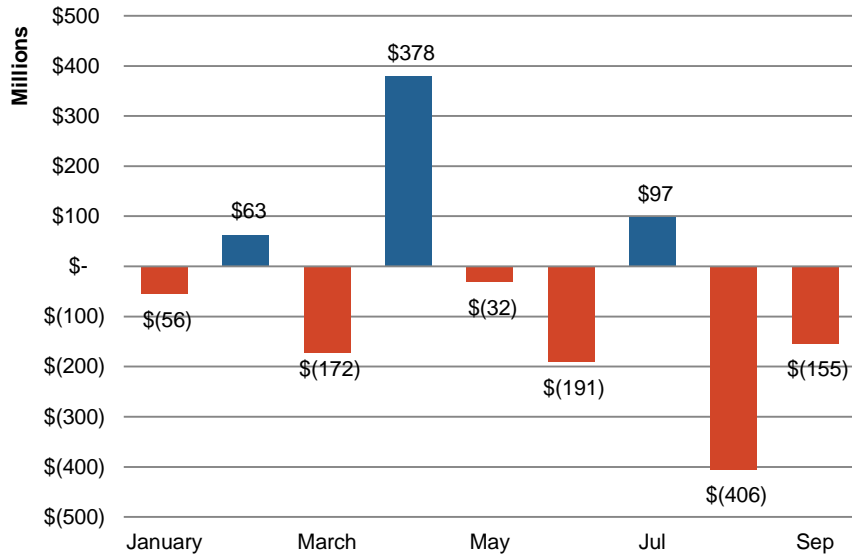
CLO market trend: spreads and liquidity for 2.0 US BBB



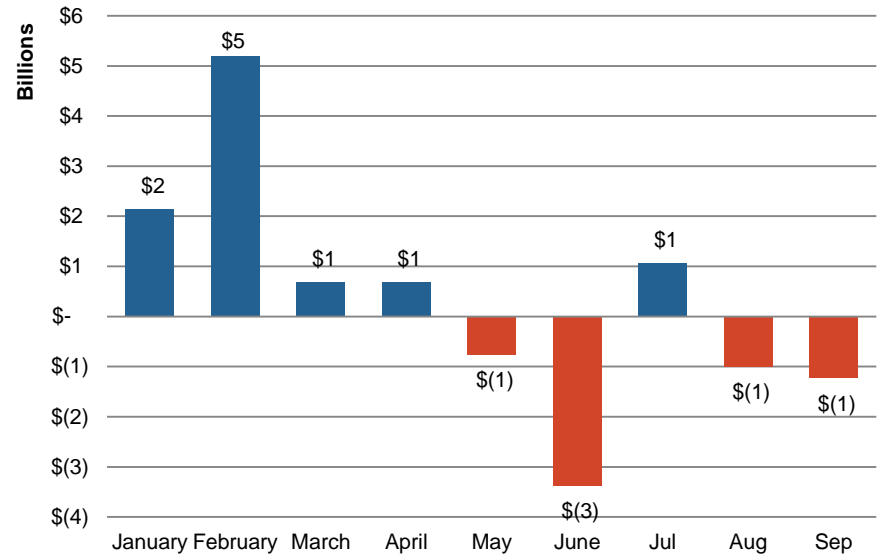
CLO primary issuance remains low for the third consecutive month, against the backdrop of the commodity sell-off and continued EM weakness. Given the dearth of supply in bank debt (YTD leveraged loan issuance is 29% lower than this time last year), investors are inclined to direct their attention to earlier deals and the secondary market. Average BBB spreads continue to trend wider, segmented further by commodity exposure and market volatility.

The Markit liquidity score provides an indication of liquidity for each bond. This is calculated under a merit based system using the following multiple inputs, including type, source and decay. The score for each bond ranges from 1 through 5 (with 1 indicating the highest degree of liquidity).

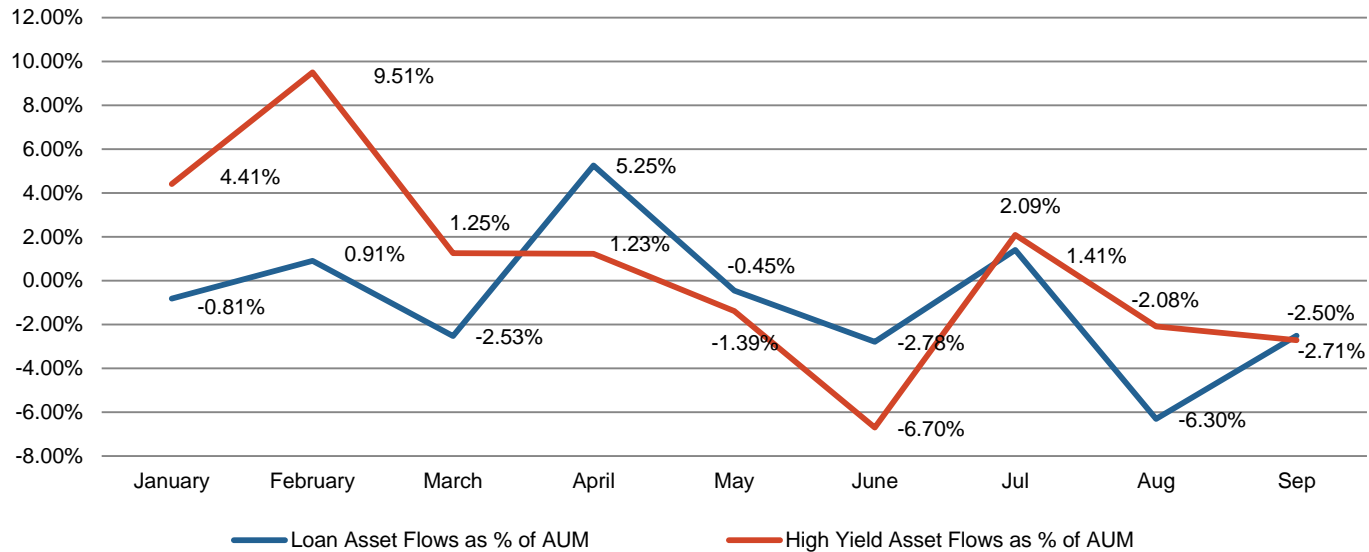
Senior Loan ETFs



High Yield ETFs



Asset Flows as % of AUM

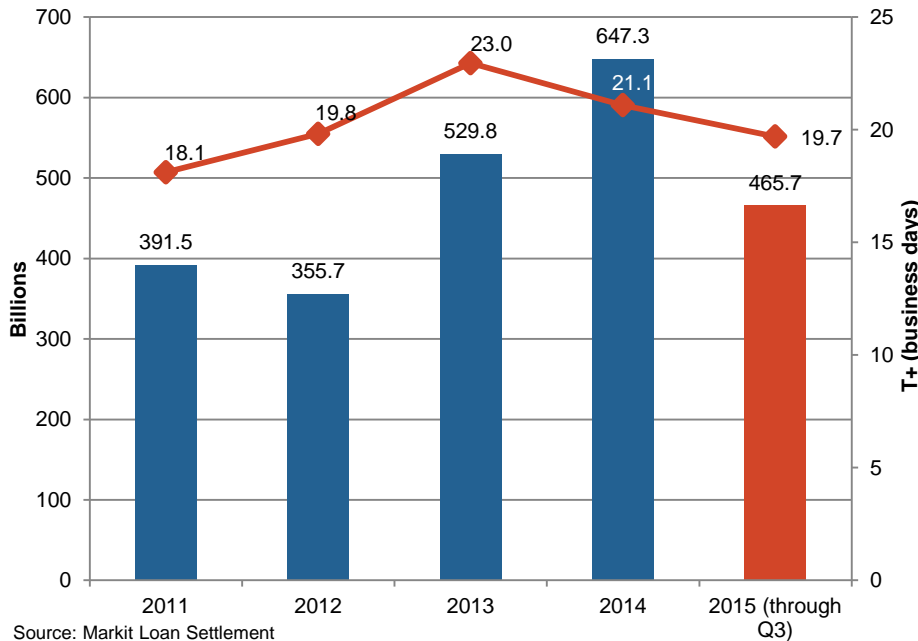


ETF type	YTD net asset flows	YTD AUM	YTD flows as % of AUM
Loan	\$-472,549,850	\$6,190,183,755	-7.63%

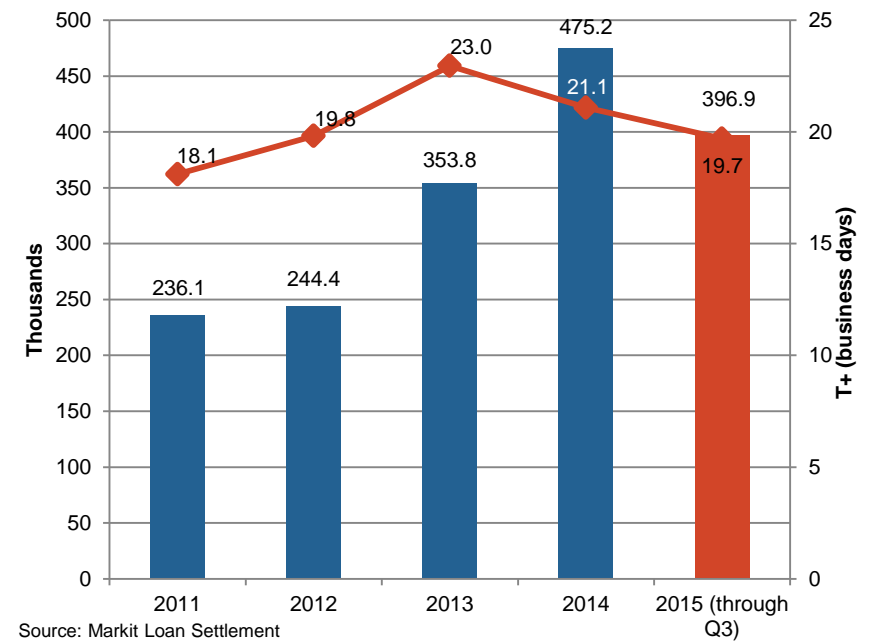
ETF type	YTD net asset flows	YTD AUM	YTD flows as % of AUM
High yield	\$3,387,565,055	\$45,570,561,521	7.43%

Settled trade volume in the secondary market (LSTA)

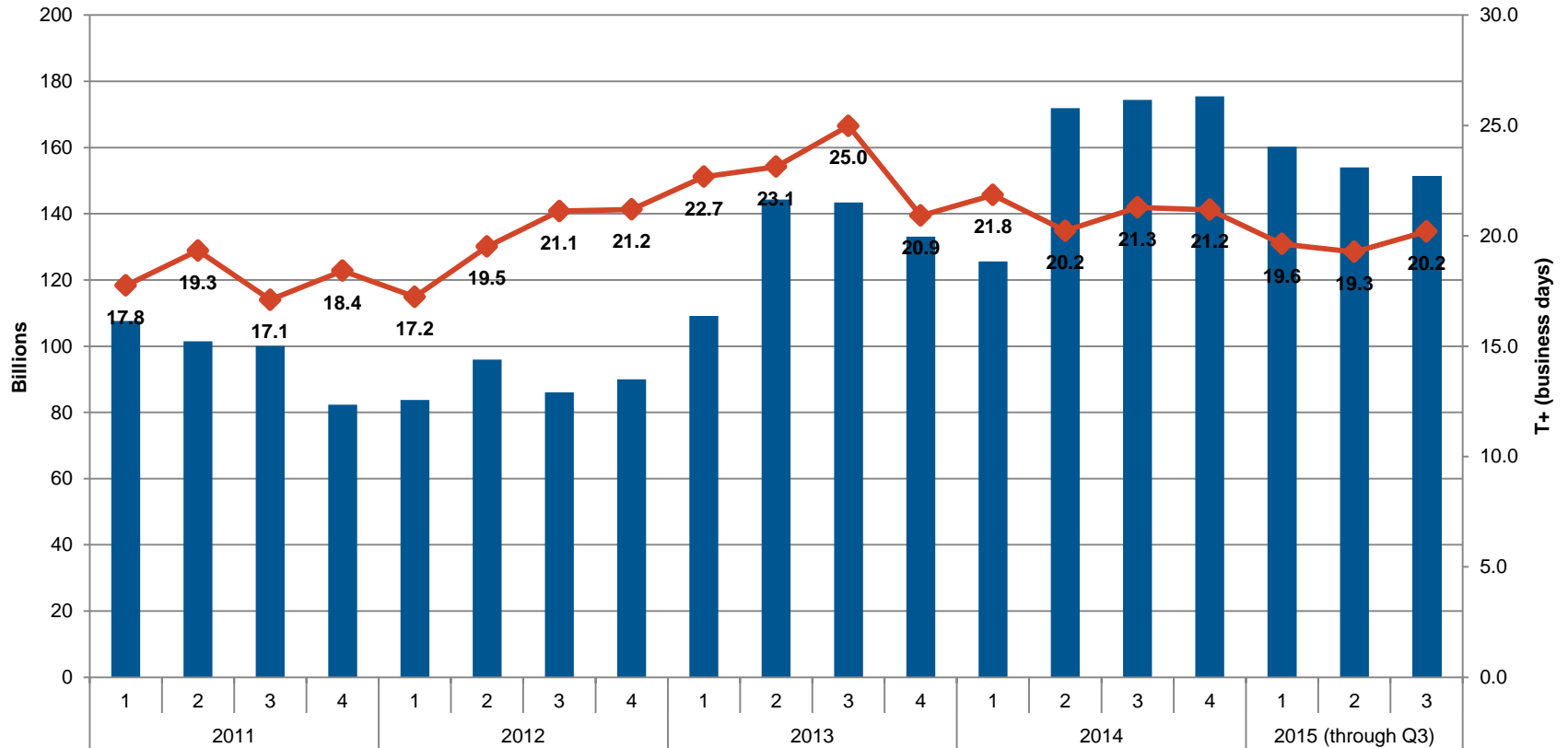
LSTA Secondary Par Settled Notional



LSTA Secondary Par Settled Allocations

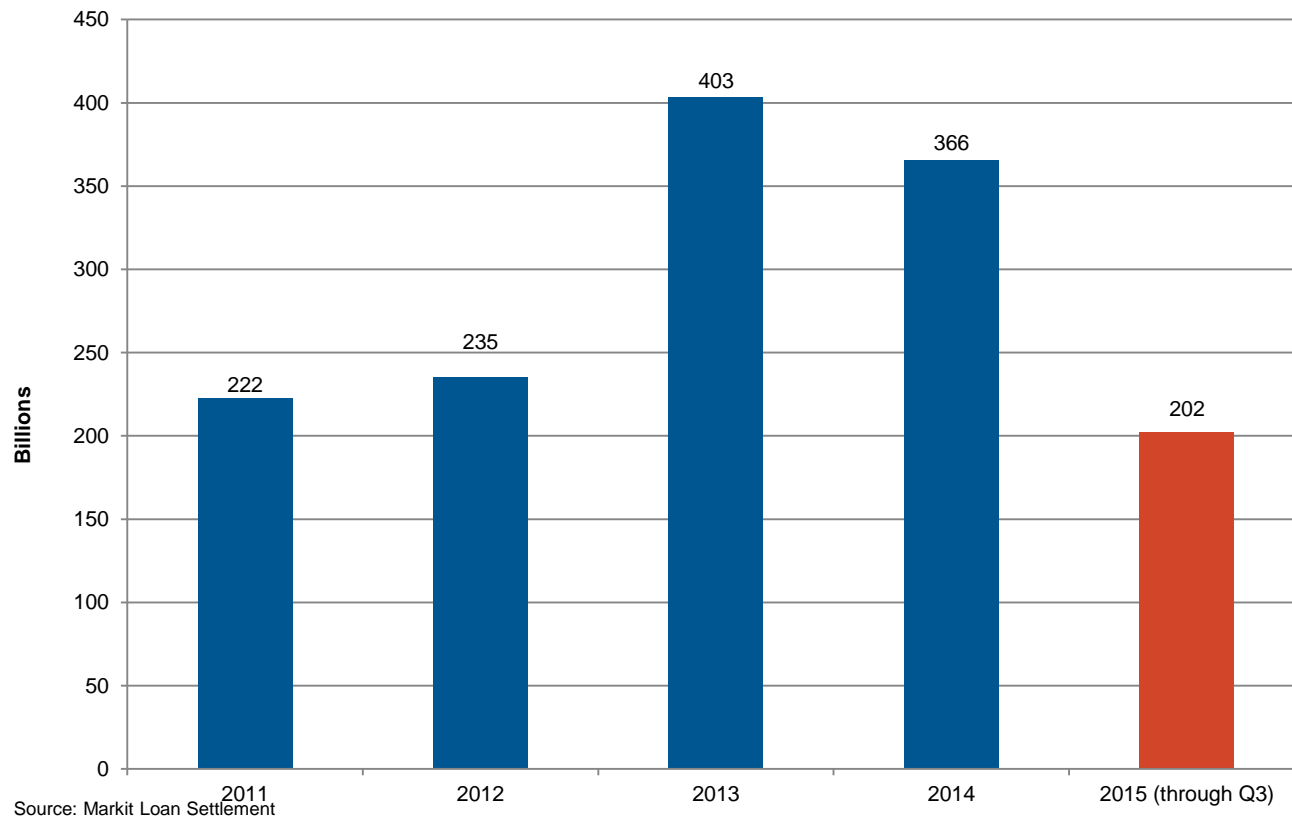


LSTA Secondary Par Settled Notional by Quarter



Source: Markit Loan Settlement

Primary market loan trade settlement volume (LSTA)



From the Markit commentary team:

“Leveraged loans had a tough third quarter which saw the asset class head into negative territory for the year; but its relatively low exposure to the energy sector has enabled it to outperform high yield bonds.”

For full commentary from our analysts go to www.markit.com/commentary



Contact

markit®

Contact:

Alex Paidas

Corporate communications

alex.paidas@markit.com

+1 212 205 7101



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