Voya Leveraged Credit Group – Senior Loan Talking Points

Weekly Notables

Performance in the loan market was steady this week. For the seven-day period ended November 21, the Morningstar® LSTA® US Leveraged Loan Index (Index) returned 0.20%, pushing the YTD return over 8%. The average Index bid price gained 8 bp, finishing the week at 97.15.

The primary market saw another wave of repricings, as there were 28 repricing transactions during the week, totaling $47.2 billion. This pushed the repricings monthly volume to a new high since June 2024. Away from repricings, this week's total new issue supply was about $8.5 billion. Looking at the forward calendar, net of the anticipated $14 billion of repayments not associated with the forward pipeline, the amount of new supply projected to enter the market is about $710 million, versus repayments outstripping new supply by $2.4 billion last week.

Higher-rated names continued to outperform lower-rated names. For the week, Double-Bs and Single-Bs returned 0.24% and 0.21%, respectively. In contrast, CCCs have experienced a modest decline compared to prior weeks' significant losses, posting a return of -0.02%.

CLO issuance was in high gear this week, as managers priced 13 new deals, pushing the YTD tally to roughly $181 billion. According to Morningstar, loan retail funds saw another sizeable weekly inflow of $1.24 billion for the week ended November 20. This marks the ninth straight weekly inflow for the asset class, for an aggregate total of $3.81 billion over that period, pushing the YTD net inflow to $6.9 billion.

There were no defaults in the Index during the week.

Mohamed Basma, CFA
Head of Leveraged Credit

Average Bid

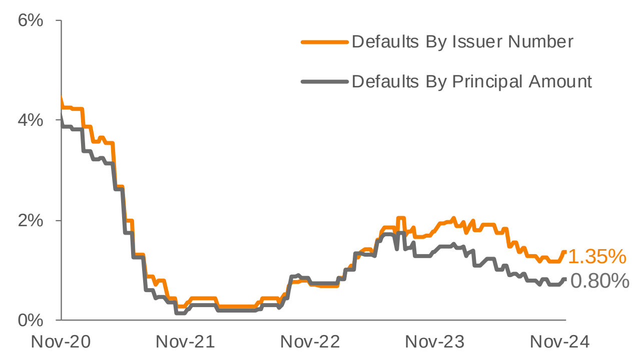
November 1, 2020 to November 21, 2024

Average 3-YR Call Secondary Spreads[1,2]

November 1, 2020 to November 15, 2024

Lagging 12 Month Default Rate[3]

November 1, 2020 to November 21, 2024



Morningstar® LSTA® US Leveraged Loan Index Stats

	Weighted Avg Spread*	Weighted Avg Price	MTD Total Return	MTD Price Return	YTD Total Return	YTD Price Return
Index	**3.46%**	**97.15**	**0.60%**	**0.12%**	**8.10%**	**-0.31%**
BB Loans	2.65%	99.99	0.71%	0.28%	7.32%	-0.18%
B Loans	3.76%	98.48	0.68%	0.18%	8.69%	0.05%
CCC Loans	4.65%	82.11	-0.64%	-1.28%	8.04%	-2.93%

Source: Pitchbook Data, Inc./LCD, Morningstar ® LSTA ® Leveraged Loan Index. Additional footnotes and disclosures on back page. **Past performance is no guarantee of future results. Investors cannot invest directly in the Index.** *The Index's average nominal spread calculation includes the benefit of base rate floors (where applicable).

Unless otherwise noted, the source for all data in this report is Pitchbook Data, Inc/LCD. Pitchbook Data/LCD does not make any representations or warranties as to the completeness, accuracy or sufficiency of the data in this report.

1. Assumes 3 Year Maturity. Three-year maturity assumption: (i) all loans pay off at par in 3 years, (ii) discount from par is amortized evenly over the 3 years as additional spread, and (iii) no other principal payments during the 3 years. Discounted spread is calculated based upon the current bid price, not on par. Please note that Index yield data is only available on a lagging basis, thus the data demonstrated is as of November 15, 2024.

2. Excludes facilities that are currently in default.

3. Issuer default rate is calculated as the number of defaults over the last twelve months divided by the number of issuers in the Index at the beginning of the twelve-month period. Principal default rate is calculated as the amount defaulted over the last twelve months divided by the amount outstanding at the beginning of the twelve-month period.