

European CLO Monitor Q4 2024

Jan. 7, 2025

This report does not constitute a rating action

Key Takeaways

- Surveillance rating activity for European CLOs was strong during Q4 2024, where we reviewed nine transactions managed by eight collateral managers.
- Rating transitions--mainly upgrades (59% of classes reviewed) and affirmations (41%)--were positive, reflecting stable credit performance and higher credit enhancement spurred by deleveraging.
- Rating action severities were 2.0 notches for upgrades and 1.2 notches for all rating actions during the quarter.
- CELF accounted for the most affirmations and upgrades among the nine transactions we reviewed (with two transactions for this collateral manager).
- We reviewed 41 transactions as part of our annual review surveillance process.
- We rated 62 new broadly syndicated loan CLO transactions (including 35 resets) and the first new European issuance middle market CLO transaction.
- We withdrew ratings on 240 tranches in 37 transactions, mainly due to redemptions, resets, and refinancing.

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The full data set, covering surveillance actions, new ratings, rating transitions, and a list of our recent publications download is only available to RatingsDirect on Capital IQ subscribers.

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