
S&P Global Ratings

S&P Global Ratings Forecasts New Issue U.S. Collateralized Loan Obligations to Reach \$120B for Full-Year 2021

Credit Rating Agency Affirms Commitment to Serving the CLO Market Now and in the Future

NEW YORK, June 2, 2021 -- As the close of the second quarter approaches, there continues to be an unprecedented volume of transactions within the U.S. Collateralized Loan Obligation (CLO) market. Already more than double year-to-date, S&P Global Ratings is [forecasting](#) new issue CLOs to reach \$120 billion for full-year 2021. Along with an increase in the issuance volume of U.S. CLO new issues, resets and refinancings, S&P Global Ratings has seen an increase in the number of outstanding ratings to be surveilled, driven in part by the low number of maturities due to heavy reset volume.

Throughout this surge in market volume, S&P Global Ratings remains fully committed to its role in serving the CLO market now and into the future. Transparency and communication with market participants remains vital in working with customers to assess ongoing pipeline priorities and continue to take steps to manage the increase in demand. With this, we recognize that the ultimate demand for our ratings comes from investors, and their desire to have an S&P rating indicates their belief in the high-quality, rigor, and transparency of S&P's ratings.

With all of its engagements, S&P Global Ratings is committed to analytical excellence, and the timely surveillance of our existing CLO ratings remains a top priority. Grounded in this commitment, we are taking steps to manage the increase in demand and are working to expand our resourcing accordingly; this includes proper training, testing, and the time needed in accordance with our industry-leading standards and quality. We understand the sense of urgency on this issue and will continue to keep our customers apprised of updates as we have them.

S&P Global Ratings has decided to continue to limit the acceptance of new US CLO engagements, specifically new issues and resets, through at least August, and likely beyond that, as we address hiring and training needs. We will only accept new US CLO engagements to the extent we have the resources and capacity necessary to provide the highest quality ratings. We will continue to take into account the needs and priorities of market participants, and we will communicate directly and transparently regarding the transaction engagements we have the capacity to accept.

This report does not constitute a rating action. S&P Global Ratings is the world's leading provider of independent credit ratings. Our ratings are essential to driving growth, providing transparency, and helping educate market participants so they can make decisions with confidence. We have more than 1 million credit ratings outstanding on government, corporate, financial sector and structured finance entities and securities. We offer an independent view of the market built on a unique combination of broad perspective and local insight. We provide our opinions and research about relative credit risk; market participants gain independent information to help support the growth of transparent, liquid debt markets worldwide.

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