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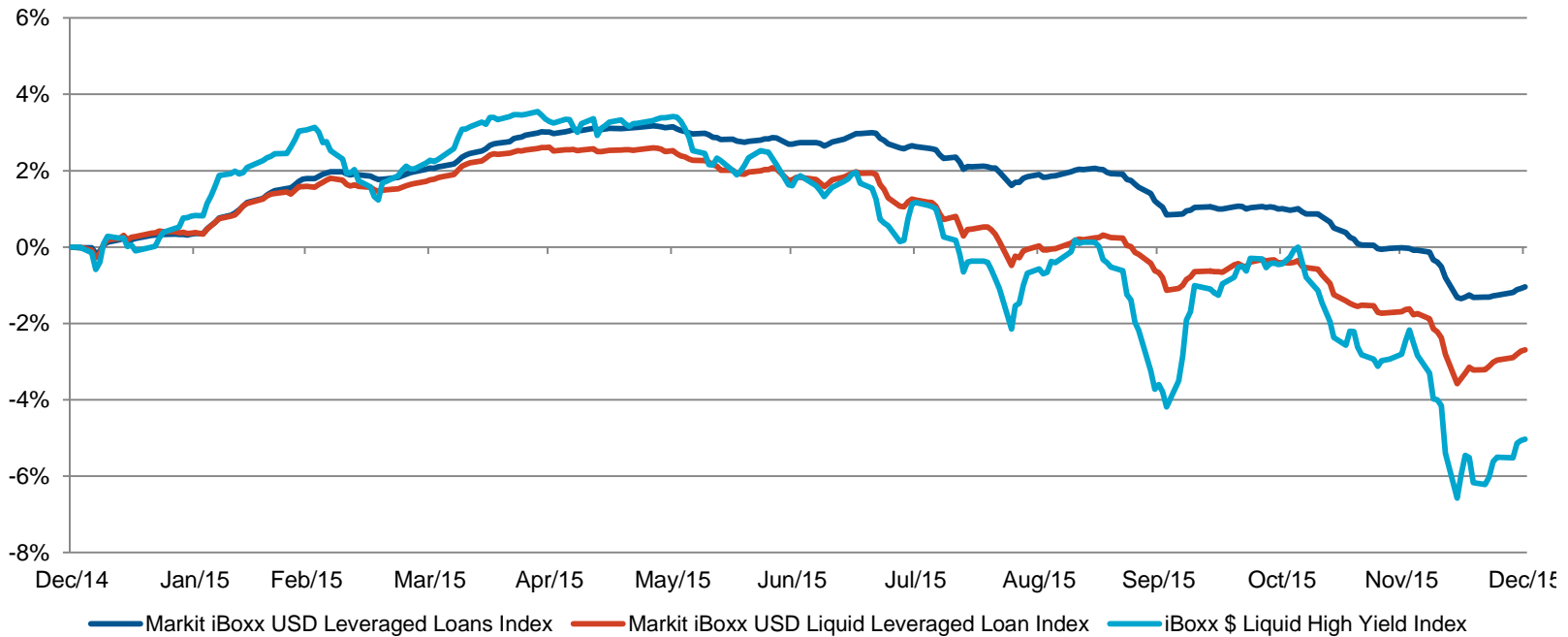
Q4 2015 loan market snapshot

Markit \ January 4th 2016

Q4 2015 Markit loans data snapshot

- Index trend
- Sector focus
- ETF fund flows
- Loan market settlement volumes and T+ trend

Leveraged loan and HY bond total returns 2015



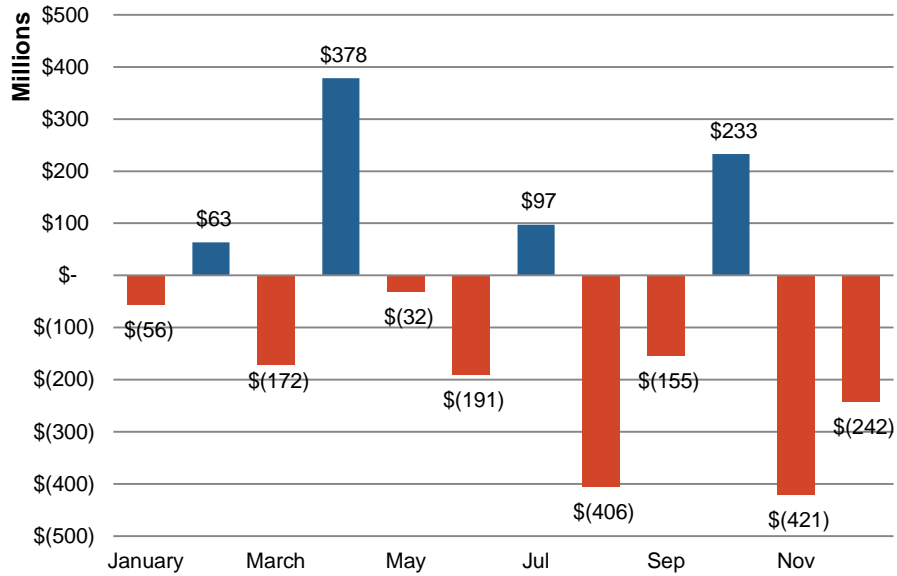
Source: Markit

Cash loan indices	Q4Δ%	2015 return
Markit iBoxx USD Leveraged Loan Index	-2.25%	-1.04%
Markit iBoxx USD Liquid Leveraged Loan Index	-2.07%	-2.69%

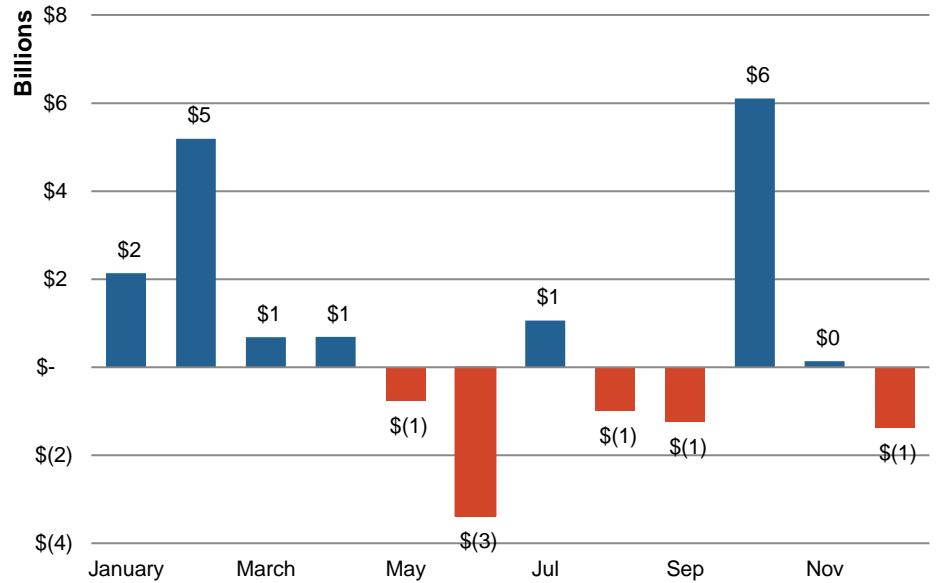
Q4 change in North American and European leveraged loan sector spreads (bps)

		BBB-	BB+	BB	BB-	B+	B	B-	CCC+
Basic Materials	NA	+6	-20	-37	+9	+27	+35	+58	+66
	EU	+0	-23	-41	+4	+21	+32	+54	+62
Consumer Goods	NA	-6	-32	-49	-3	+15	+23	+46	+54
	EU	-12	-35	-53	-8	+9	+20	+42	+50
Consumer Services	NA	+2	-24	-41	+5	+23	+31	+54	+62
	EU	-4	-27	-45	-0	+16	+28	+49	+58
Energy	NA	+1	-24	-41	+4	+23	+31	+54	+62
	EU	-6	-28	-47	-2	+15	+26	+48	+56
Financials	NA	-12	-38	-55	-9	+9	+17	+40	+48
	EU	-18	-41	-60	-15	+2	+14	+35	+44
Healthcare	NA	-0	-26	-43	+3	+21	+29	+52	+60
	EU	-6	-28	-47	-2	+15	+27	+48	+56
Industrials	NA	+0	-25	-42	+3	+22	+30	+53	+61
	EU	-6	-28	-47	-2	+15	+26	+48	+56
Technology	NA	-6	-32	-49	-3	+16	+23	+46	+54
	EU	-11	-33	-52	-7	+10	+21	+43	+51
Telecommunication Services	NA	+8	-18	-35	+11	+29	+37	+60	+68
	EU	+1	-21	-40	+5	+22	+33	+55	+63
Utilities	NA	-16	-42	-59	-13	+6	+13	+36	+44
	EU	-22	-45	-63	-18	-1	+10	+32	+40

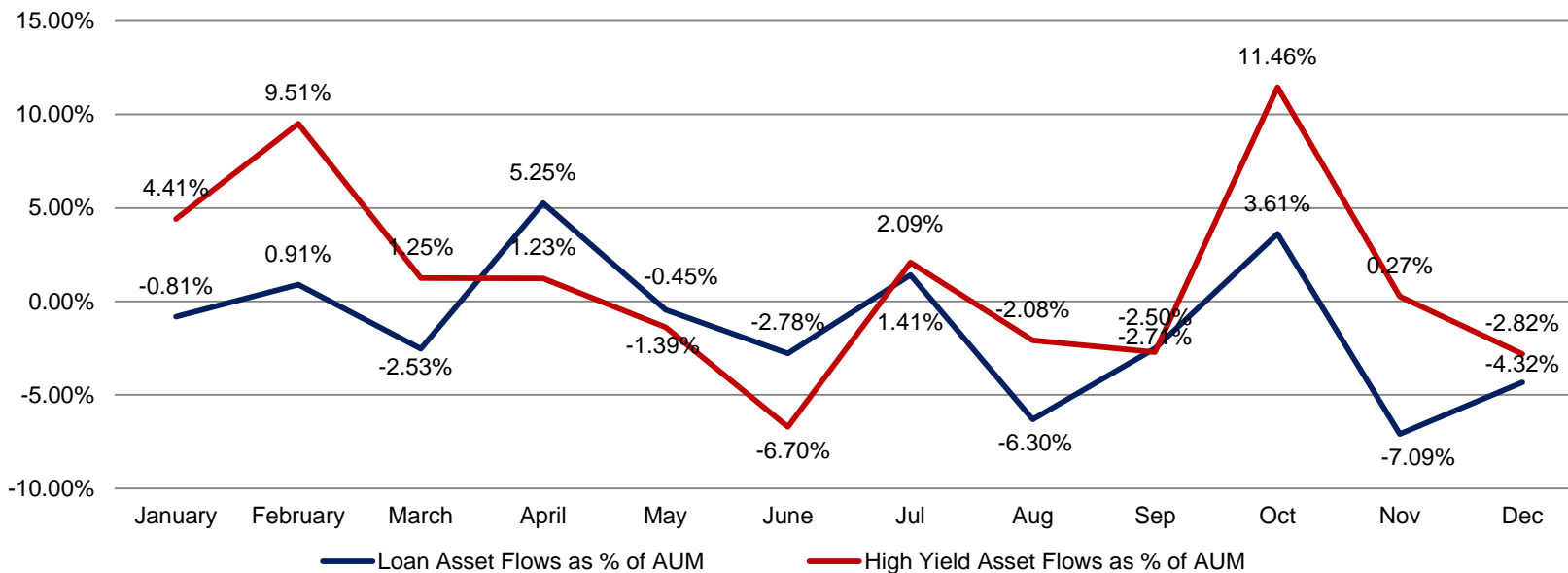
Senior Loan ETFs



High Yield ETFs



Asset Flows as % of AUM



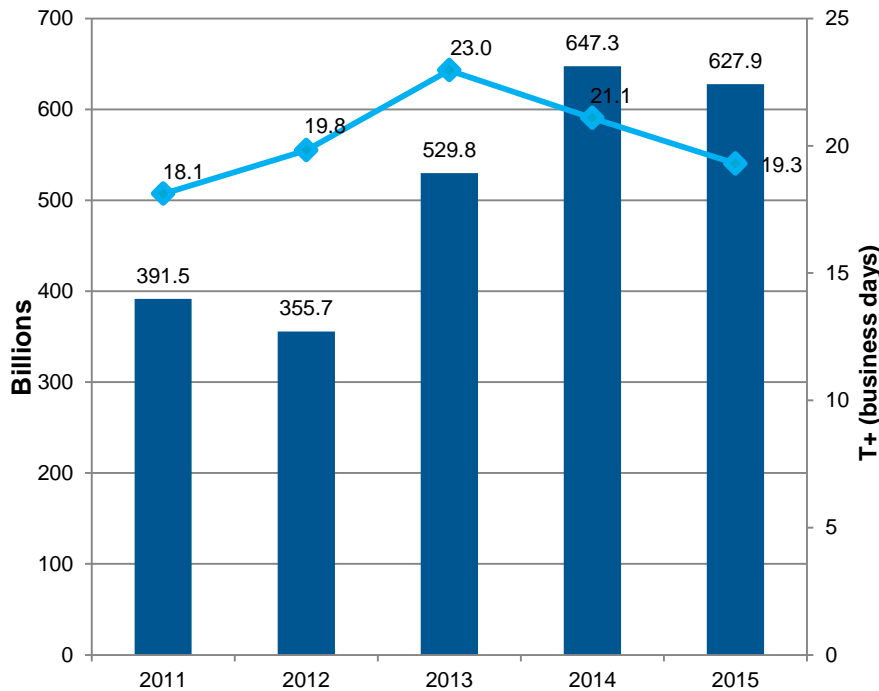
Year-to-date

ETF Type	2015 total net asset flow	2015 ending AUM	Total net asset flow as % of AUM
High Yield	\$8,258,426,865	\$48,881,550,269	16.89%

ETF Type	2015 total net asset flow	2015 ending AUM	Total net asset flow as % of AUM
Loan	\$ (903,253,430)	\$5,605,555,134	-16.11%

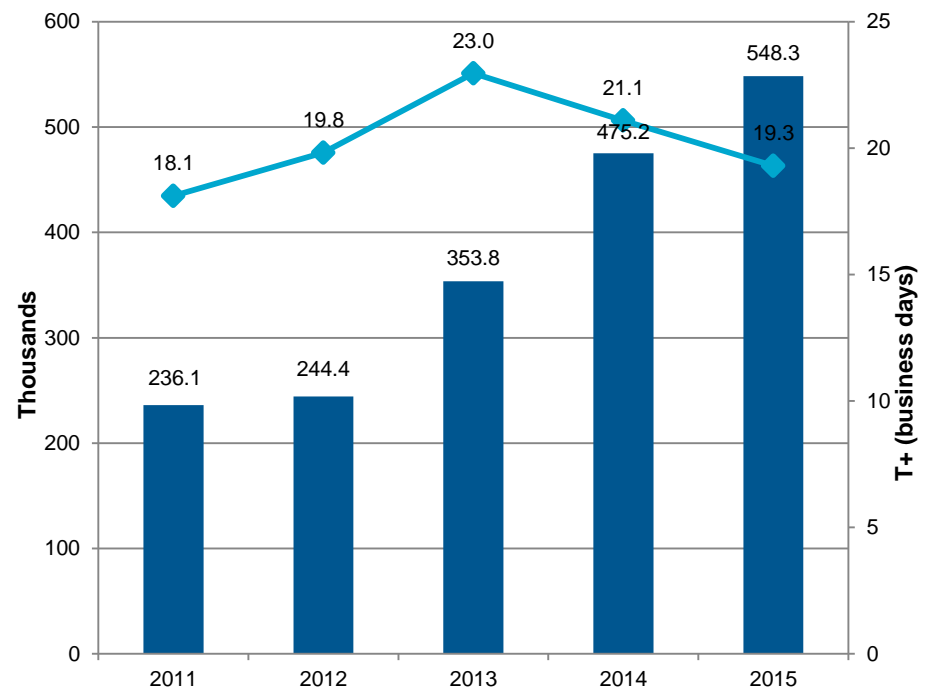
Settled trade volume in the secondary market (LSTA)

LSTA Secondary Par Settled Notional



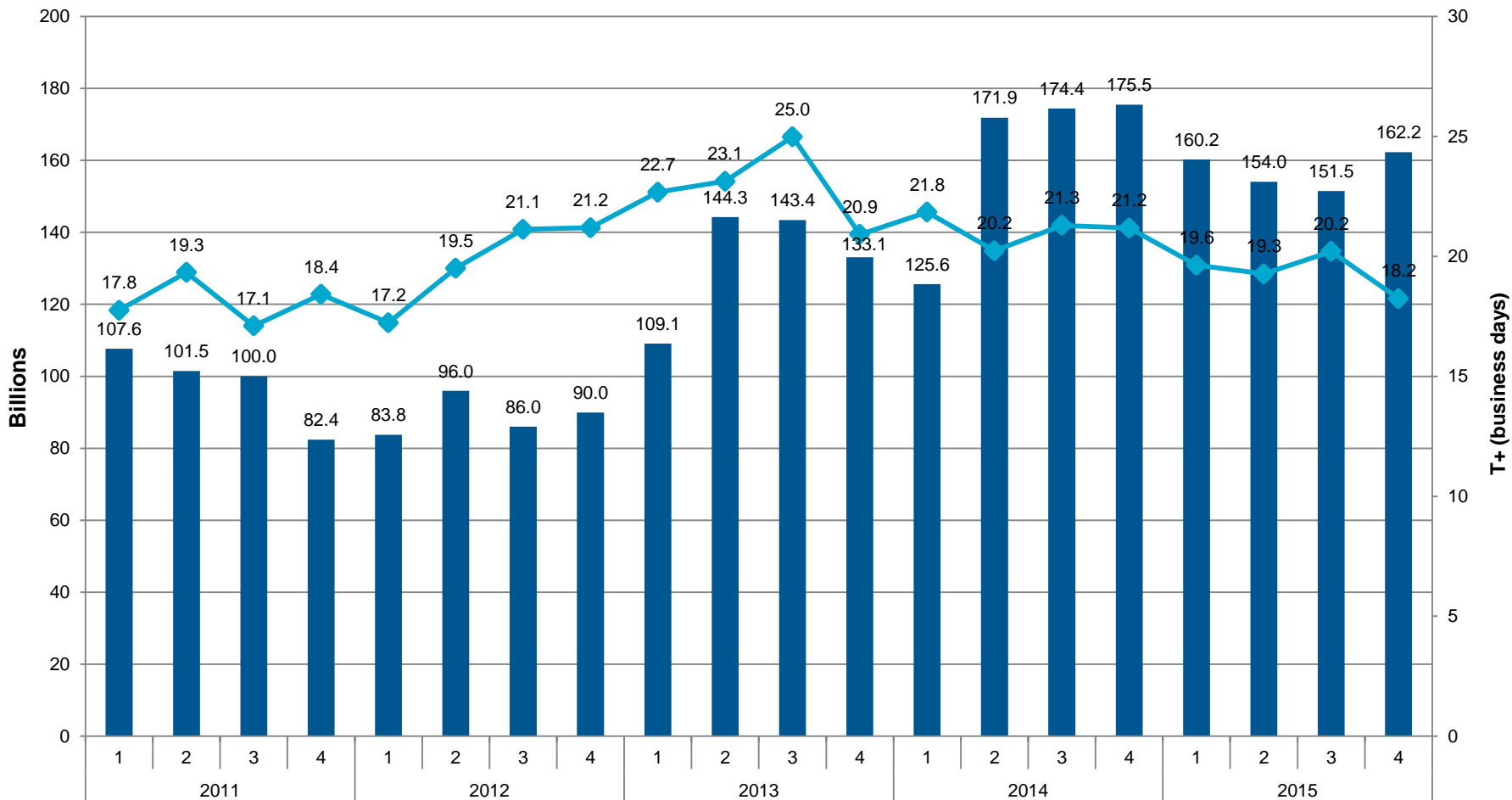
Source: Markit Loan Settlement

LSTA Secondary Par Settled Allocations



Source: Markit Loan Settlement

LSTA Secondary Par Settled Notional by Quarter



From the Markit commentary team:

“While underperforming in Q4, leveraged loans were a better investment than high yield bonds if you look at the full year. This is partly due to high yield bonds' higher exposure to energy, approximately 16%, compared to 8% for leveraged loans. Commodity prices remain stubborn due to weak global fundamentals and leveraged loans may find themselves better positioned than HY bonds should commodity downside risk continue to linger.”

- Neil Mehta, credit market analyst at Markit

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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