

European CLO Monitor 2023

Jan. 17, 2024

This report does not constitute a rating action

Key Takeaways

- Rating activity was robust during 2023 for European CLOs. We reviewed 22 CLO transactions managed by 19 collateral managers.
- Rating transitions were positive--mainly upgrades (61% of classes reviewed) and affirmations (39%)--primarily due to stable credit performance and higher credit enhancement thanks to deleveraging.
- Rating action severities were 1.7 notches for upgrades.
- Black Diamond, HPS, and Alcentra accounted for most affirmations and upgrades among the 22 transactions we reviewed (with two transactions for each collateral manager).
- We reviewed 301 CLO transactions as part of our annual review surveillance process.
- We rated 64 new CLO transactions.
- We withdrew ratings on 62 tranches in 36 transactions, mainly due to redemption 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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