



Talk about Elevation: US CLO volume soars and 2018 record bested as ArrowMark finds its notch

by Hugh Minch

New issue CLO volume in the US surpassed \$2 billion for the third business day in a row on Tuesday, and overall yearly issuance hit a new record, as ArrowMark Partners became the latest manager to join the fray, according to market sources. ArrowMark partnered with Goldman Sachs to print the \$509.7 million Elevation CLO 2021-14, its third US new issue of 2021.

US CLO new issuance overtook 2018's record on Tuesday, rising to nearly \$114.6 billion against the previous best of \$114.4 billion. A deal of over \$1 billion by Palmer Square was decisive in this.

In total, \$2.3 billion new CLO paper priced on Tuesday as primary activity remains at record levels. It comes after \$2.5 billion new issues priced on Monday and another \$2 billion on Friday. Total volume for September stands at \$11.31 billion, just behind the \$14.04 billion issued at the same stage in August, which was a record month.

Elevation 2021-14 issues senior and junior triple A debt paying 120 basis points

Elevation CLO 2021-14						
Manager	Arranger	Type	Size	Non-call	Reinvestment	
ArrowMark	Goldman Sachs	US new	\$509.74m	20-Oct-23	20-Oct-26	
Tranche	Size (\$m)	Rating (M)	Par sub (%)	Coupon (L+bp)	Price (%)	DM
X	3.75	Aaa	-	95	100	95
A1	300	Aaa	40	120	100	120
A2	25	Aaa	35	150	100	150
B	53.25	Aa2	24.35	175	100	175
C	25	A2	19.35	230	100	230
D1	21.75	Baa3	15	325	100	325
D2	15	Ba1	12	502	98.75	520
E	20	Ba3	8	720	98	750
Sub	45.99	NR				

and 150bp over Libor, with the blended spread of 122.31bp sitting 3.6bp wide of the 10-day rolling average. The CLO's cost of debt is 182.21bp.

\$509.7m

Deal size of
Elevation CLO 2021-14