

Our Banking & Finance professionals wrote on the mexican chapter of the Chamber's Banking and Finance 2024 Guide

Category: Publications

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The new Banking & Finance 2024 guide covers over 30 jurisdictions. The guide provides the latest legal information on the loan market in each jurisdiction covered, including the impact of global conflicts and ESG lending; loan structuring and documentation, including restrictions on foreign lenders; tax issues; guarantees and security; enforcement; bankruptcy and insolvency; and project finance.

To date in 2024, global leveraged finance activity has increased significantly, primarily due to a significant upturn in refinancing and repricing activity resulting in the highest seasonal volumes seen to date which are dramatically above the levels seen during the second half of 2022 and 2023. Amid cooling inflation, stabilised benchmark interest rates and favourable monetary policy, loan investor demand has increased significantly in 2024. However, although central bank interest rates are expected to decrease in the latter part of 2024, they remained relatively high for a significant portion of the year, and, to a large extent, the macroeconomic and political uncertainties that dampened market activity during the second half of 2022 and 2023 have not abated.

M&A activity and other drivers of new issuances of leveraged loans have also remained relatively muted. Borrowers have instead focused on opportunistic transactions, with most of the increased leveraged finance activity observed in 2024 consisting primarily of repricings, maturity-driven refinancings and “amend and extend” transactions, and also increasingly dividend recapitalisations. As a whole, however, the size of the US and global leveraged loan markets has not changed materially during the most recent twelve months, as the modest volume of new issuances is offset by repayments of existing leveraged financings as borrowers seek

to reduce their cost of debt capital in a continued high interest rate environment.

Our Partners Michell Nader, Julián Garza and associate Paulina Bracamontes wrote the mexican chapter of this guide. Explore the latest trends and understand the pressing issues in the Energy sector with our expert insights.