



DURATION

2 Days



DELIVERY CHANNEL

Virtual  
Instructor-Led

OR

In-Person  
Classroom



PROGRAM LEVEL

Introductory

PREREQUISITES

Either approx. two years' experience in a credit-related function or attendance on an intermediate-level credit seminar.

ADVANCED PREPARATION

None

## Overview

The leveraged finance market is a deep and active sector encompassing many regions and industry sectors. Particularly in an era of ultra-low interest rates, investors are increasingly interested in obtaining returns from lower quality credit. This seminar reviews the basics of high-yield debt, including leveraged loans and other funding instruments, while providing an overview of relevant current issues, in particular the coronavirus. Among the topics covered are credit analysis of risky debt, today's market for high-yield, seniority and subordination, private equity sponsors and LBOs and covenant analysis. The course has a practical focus, using real examples and timely cases.

## Learning Objectives

**BY THE END OF THIS COURSE, YOU WILL BE ABLE TO:**

- » Discuss the key features and drivers of the leveraged finance market
- » Apply fundamental principles of analysis to a leveraged credit
- » Analyze the cash flows and liquidity of a leveraged credit
- » Project cash flow and liquidity
- » Understand the various different debt instruments available in the leveraged markets and the pros and cons of each
- » Structure a leveraged buyout
- » Analyze a company's covenant package and identify key strengths and weaknesses

## Who Should Attend?

- » Credit analysts
- » Ratings advisors
- » Investment and commercial bankers
- » Fixed income professionals (both buy and sell sides)
- » Portfolio/asset/fund managers
- » Equity analysts
- » M&A professionals
- » Banking supervisors
- » Credit risk professionals
- » Basel II project managers

## Virtual Delivery

You are able to access virtual courses from any location. Some courses, however, include region-specific content based on the host region. For example, a course beginning at 10 AM EST may include references to GAAP versus IFRS, since the course is being hosted in the Americas. Please contact us at [learningsolutions@moodys.com](mailto:learningsolutions@moodys.com) for region-related content queries.

# Course Detail

## MODULES

### 1 Defining Leveraged Finance

- 1 An overview of the leveraged markets
- 2 The pattern of defaults
- 3 The importance of market liquidity
- 4 The impact of COVID-19
- 5 The evolution of capital structures – institutional term loans and CLOs

### 2 Credit Issues and Analysis relating to High Yield

- 6 Key measures for leveraged credits
- 7 Analyzing a leveraged credit
  - » Industry analysis
  - » Company analysis
  - » Management analysis
  - » Financial analysis
- 8 Cash flow and liquidity
- 9 Projecting liquidity
- 10 Peer analysis

### 3 Building a Leveraged Capital Structure

- 11 The menu of funding options
- 12 The features of high yield bonds
- 13 Second lien debt
- 14 Bridge loans
- 15 Mezzanine and unitranches
- 16 The basics of building layered capital structures
- 17 An overview of leveraged buyouts
- 18 Building a leveraged buyout

## MODULES

### 4 Covenants and Documentation

- 19 An overview of standard documentation

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- 20 Affirmative and negative covenants

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- 21 Moody's covenant quality assessments

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- 22 The convergence between bank and bond covenants

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- 23 The restricted group and its implications

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- 24 An overview of the standard covenants, including the usual carve-outs and exceptions

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- 25 Analyzing the restricted payment covenant

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- 26 Reading and analyzing a debt covenant
  - » Calculating the amount of the carve outs and considering their implications

## RELATED COURSES

### Corporate Credit

- 1 Credit Masterclass

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- 2 Fundamentals of Corporate Credit

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- 3 Corporate Credit Rating Analysis

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- 4 Corporate Cash Flow Analysis

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- 5 Covenants & Documentation

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- 6 Liquidity Analysis & Refinancing Risk for Corporates

### Troubled Credits

- 7 Problem Credits

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- 8 Corporate Debt Restructuring

# Why Moody's Analytics?

## Current and Consultative

We work with you to understand the distinct needs of your organization to design, implement and track the performance of your learning programs from end-to-end, including skills assessment, program design, implementation, evaluation and enhancement.

## Comprehensive Coverage

We offer a broad set of technical and soft skills programs that can be combined and adapted to the needs of your staff. Our areas of expertise include banking, finance, sales, fintech, negotiation and leadership development.

## Unparalleled Expertise

In delivery, our people make the difference – combining deep experience with intellectual passion for content, and having earned superior academic credentials, they are committed to delivering outstanding quality.

## Register Online

If you are interested in this program, visit us at [www.moodyanalytics.com/learningandcertifications](http://www.moodyanalytics.com/learningandcertifications)

### TAILOR ANY COURSE FOR YOUR ORGANIZATION

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### GROUP DISCOUNTS

Special rates may be available for multiple course or group bookings. Please contact us for details.

### FEES AND CANCELLATIONS

The fee listed is per participant. Course fees do not include tax, transportation or hotel accommodations. Payment must be received in full prior to the start of the course. Registrations may be canceled in writing via letter or email at least 30 days before the first date of the training for a full refund. Cancellations received less than 30 days in advance are eligible for substitution with another course, but fees will not be refunded. We reserve the right to cancel or reschedule courses at any time. For further information on our refund and complaint policy, please contact us.

## Contact Us

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