

## U.S. Credit Update – December 3, 2024

- Fixed Income and Corporate Sector Returns
- Options-Adjusted Spreads
- Biggest Movers
- Credit ETF Flows
- Issuance Recap

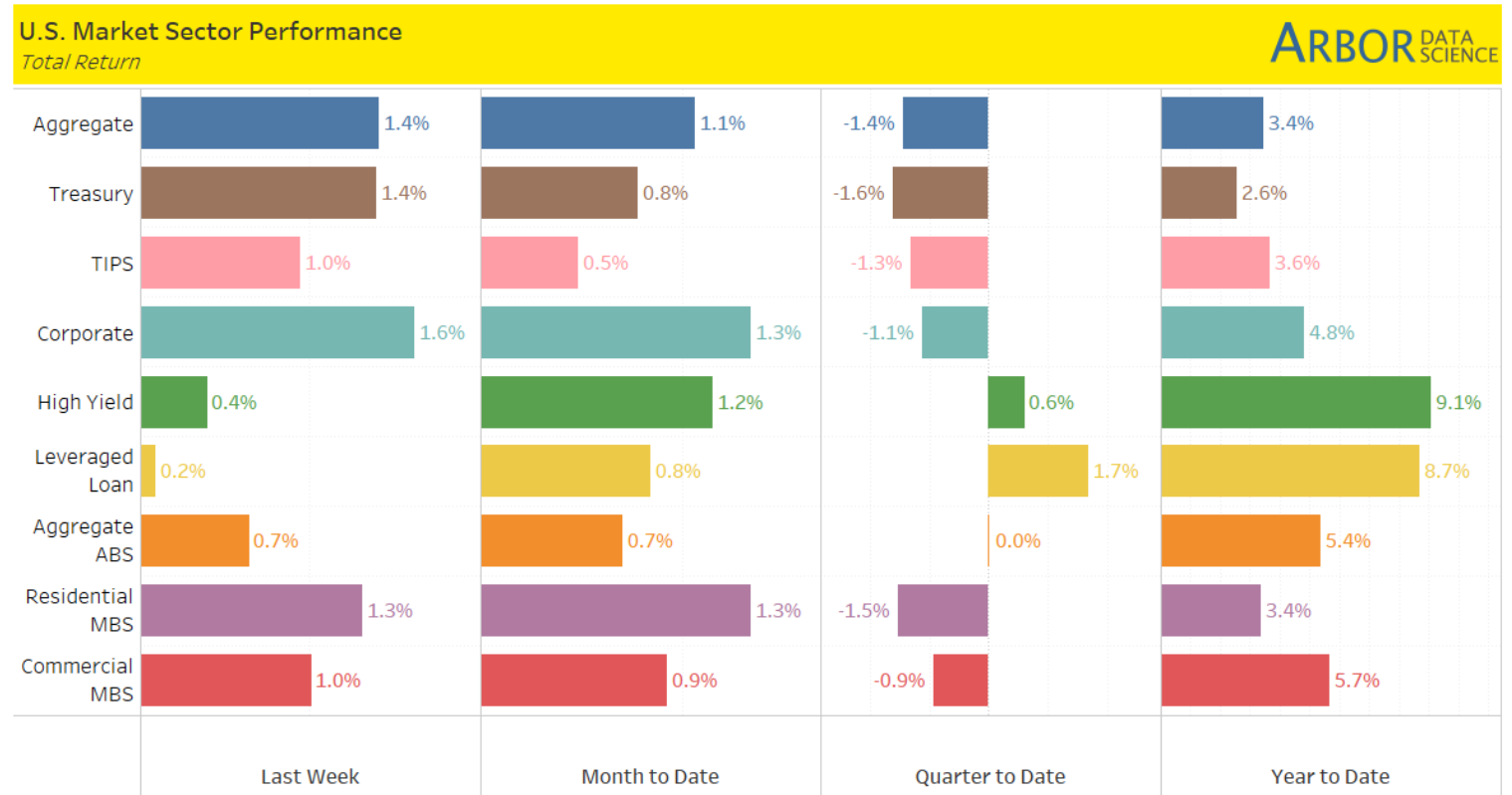


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# Fixed Income Sector Unhedged Total Returns

**Treasurys finish November strong.** Rates fell 22-25bps across the curve last week as month end duration extensions and successful Treasury auctions lifted prices.



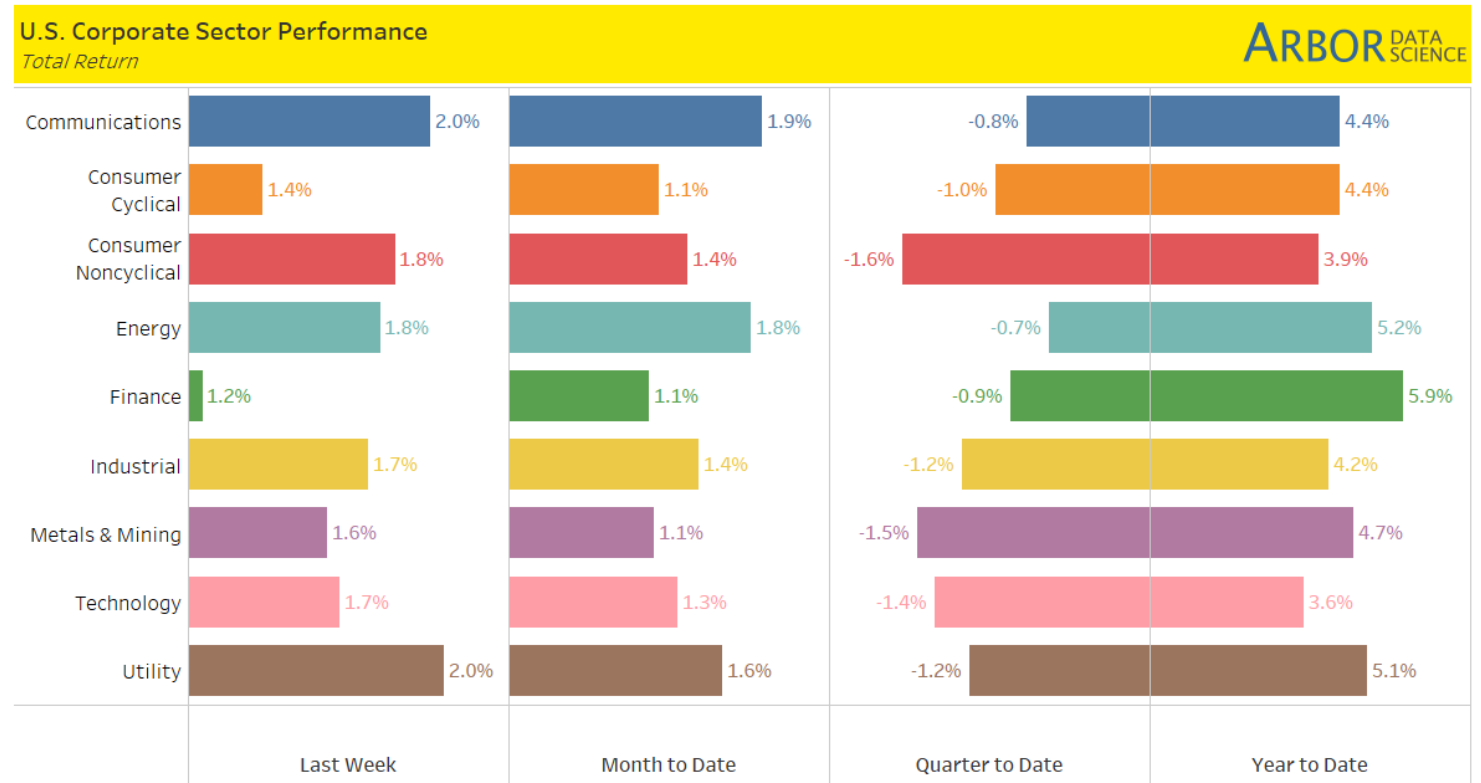
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# Corporate Sector Unhedged Total Returns

## Risk markets close November with strong tone.

A large drop in interest rates didn't deter IG credit buying into month end. Cash spreads finished the week unchanged to -2bps as equities rose +1.1%.



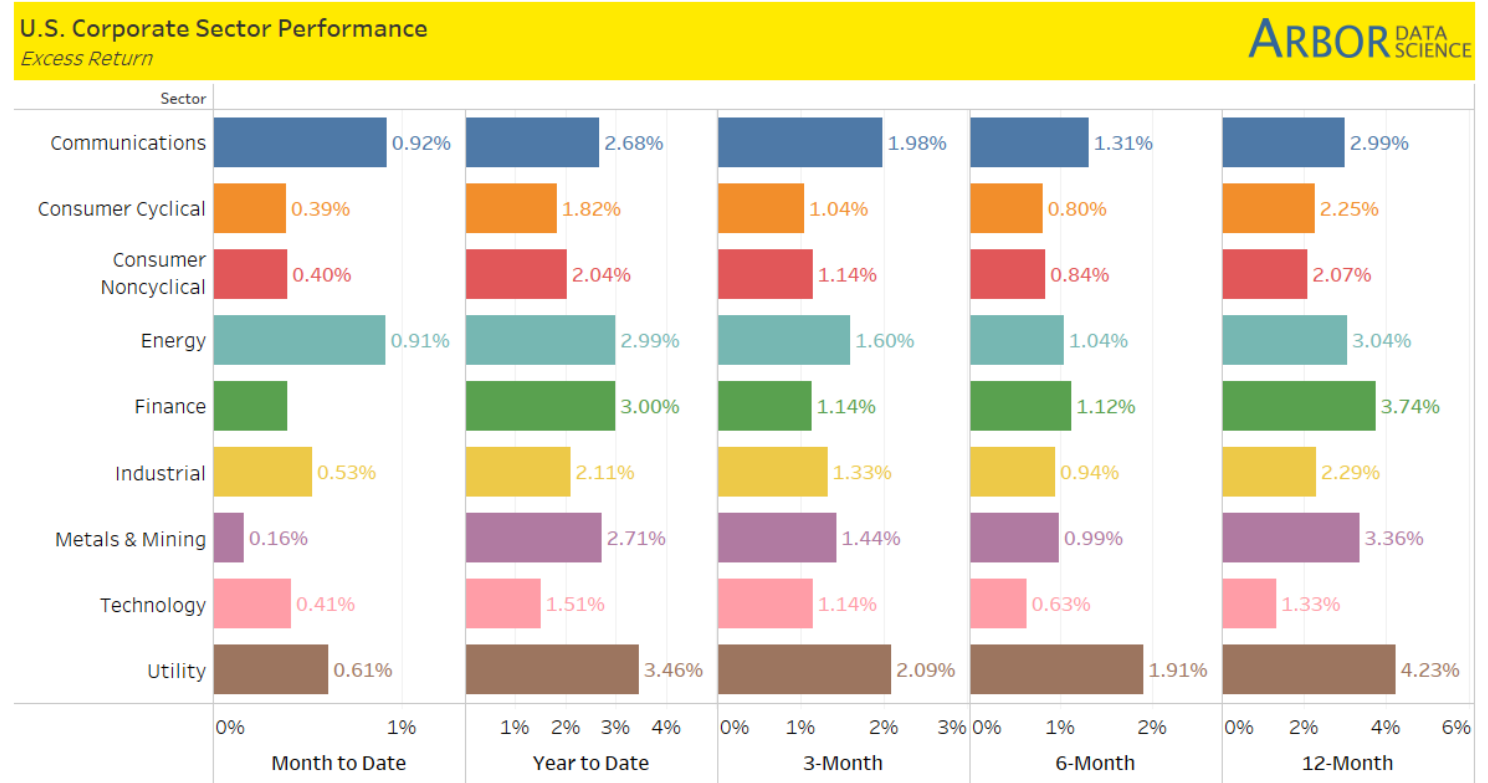
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# Corporate Sector Excess Returns

## Autos, energy and regional banks top November spread tightening.

Higher beta sectors performed best in November. Autos (-12bps), energy (-9bps), and regional banks (-8bps) topped sector performance, while manufacturing spreads closed the month unchanged..

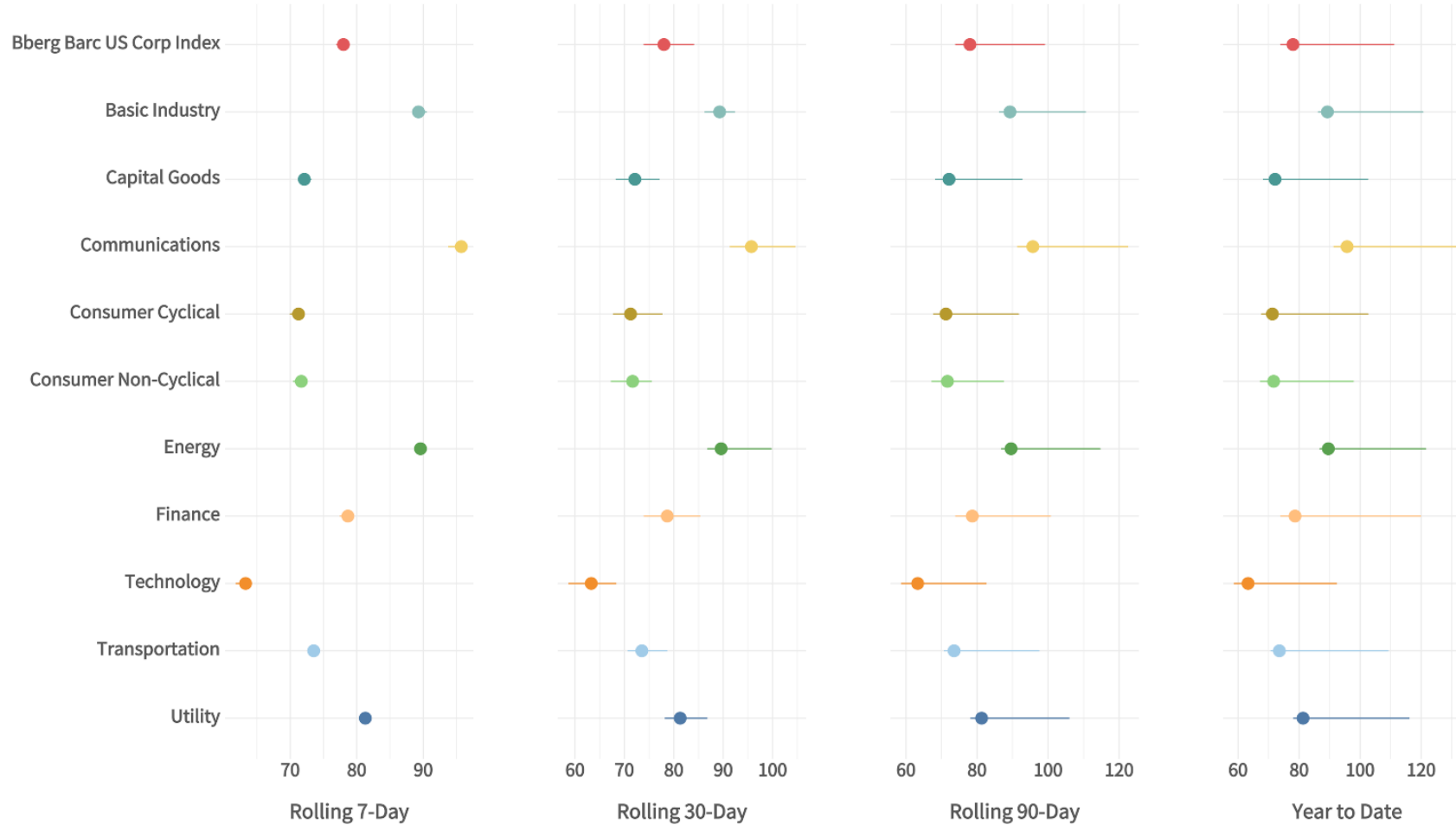


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# Corporate Sector OAS

U.S. Investment Grade Credit Options-Adjusted Spread  
Range of OAS over Period



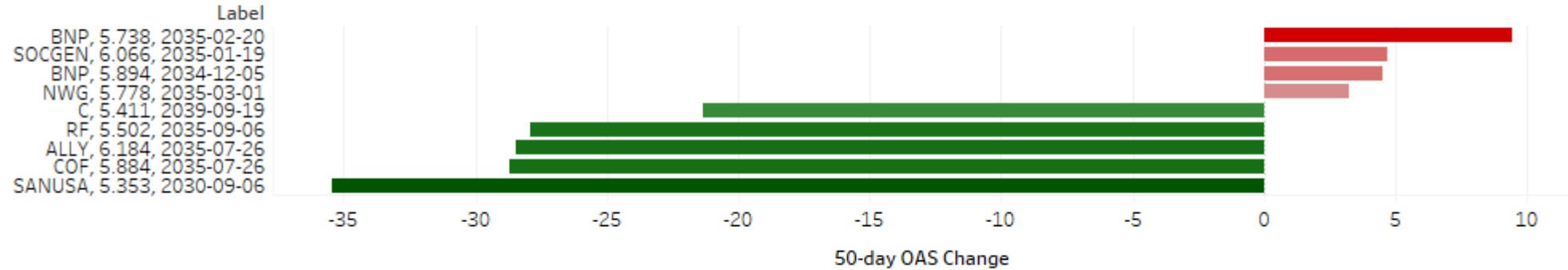
Data Source: Bloomberg, LP

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## U.S. Investment Grade Corporates

Financials - Biggest Movers

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Data Source: Bloomberg LP

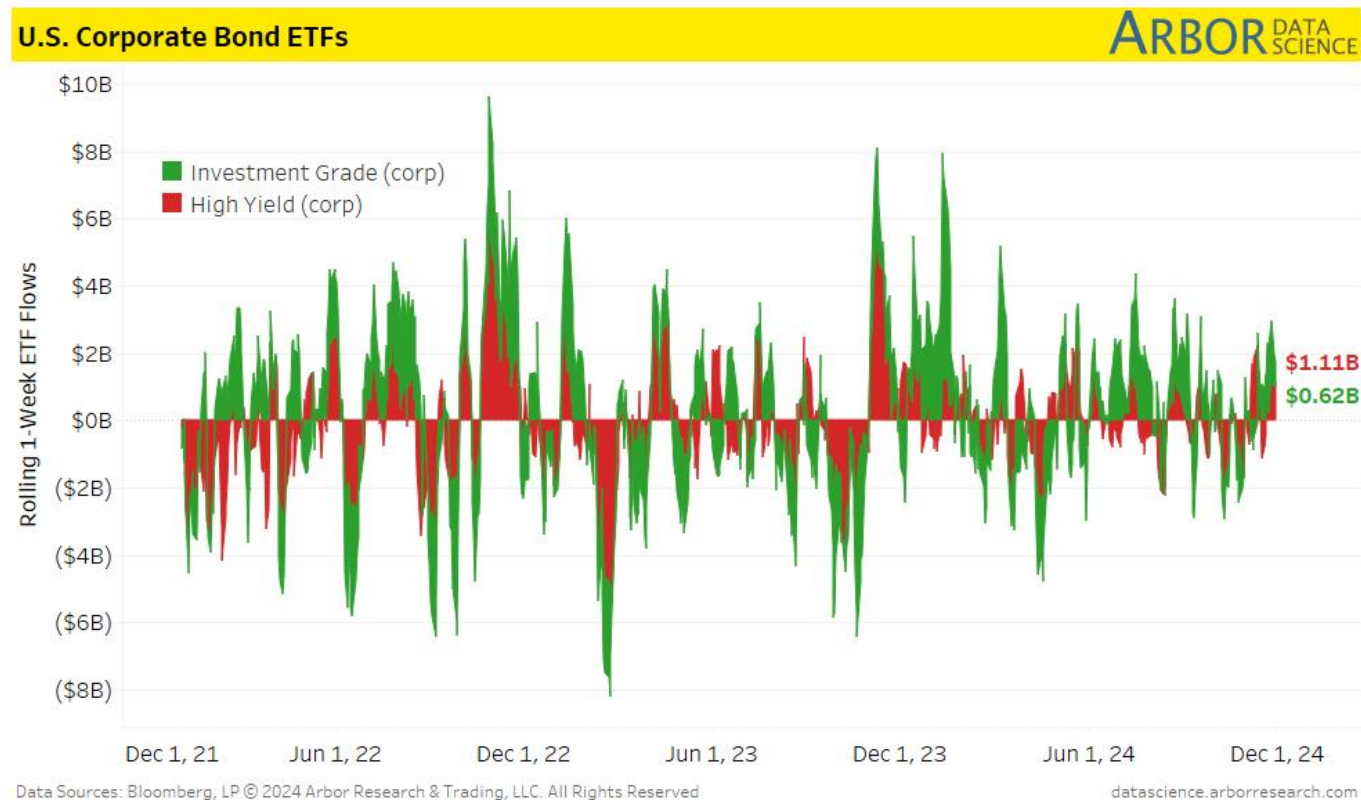
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Investment grade credit fund inflows slowed to +\$2.78 billion last week, down from +\$8.83 billion previously. Much of the flow came from ETFs, which saw +\$2.63 billion vs. +\$6.09 billion during the prior survey period. Mutual funds only saw +\$0.15 billion come in v. +\$2.74 billion last week. High yield funds saw -\$1.09 billion of outflows v. +\$0.68 billion previously. This marked the largest fund outflow in 4 months for HY.

# Corporate Bond ETF Flows

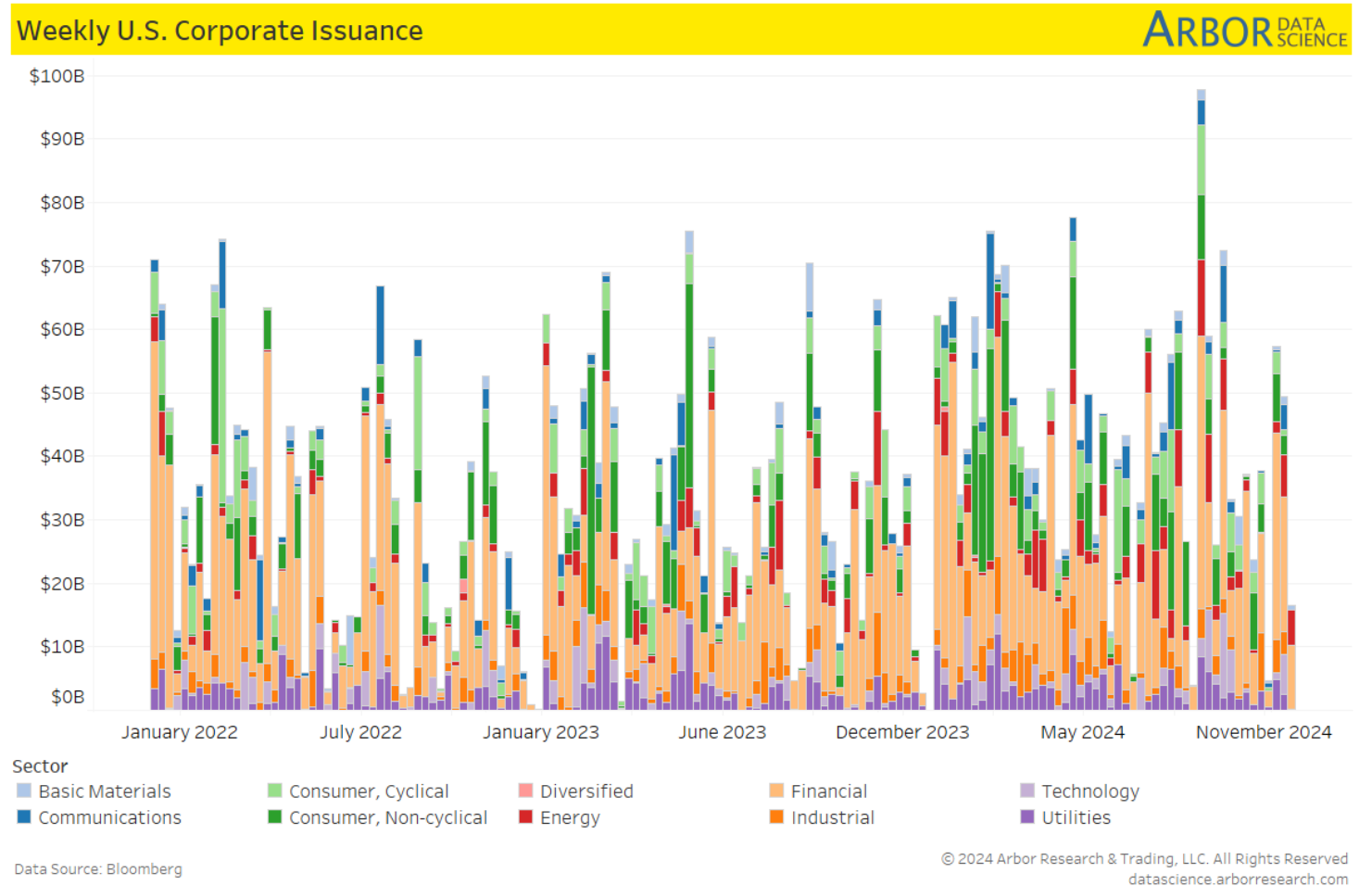
Corporate bond ETFs were positive last week, with investment-grade ETFs gaining \$0.62 billion and high-yield ETFs gaining \$1.11 billion.

*The chart shows stacked rolling one-week flows into corporate bond ETFs.*



# Issuance Recap

Primary issuance came in at \$13.7 billion last week, bringing November's total to \$103 billion. \$20-25 billion is expected this week, and \$35 billion in total for December.





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The image shows three large, stylized letters. A large blue 'A' is on the left. To its right, the letters 'D' and 'S' are stacked vertically in a grey color. The 'D' is on top and the 'S' is on the bottom, both in a bold, sans-serif font.

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