



---

## U.S. Credit Update – January 6, 2026

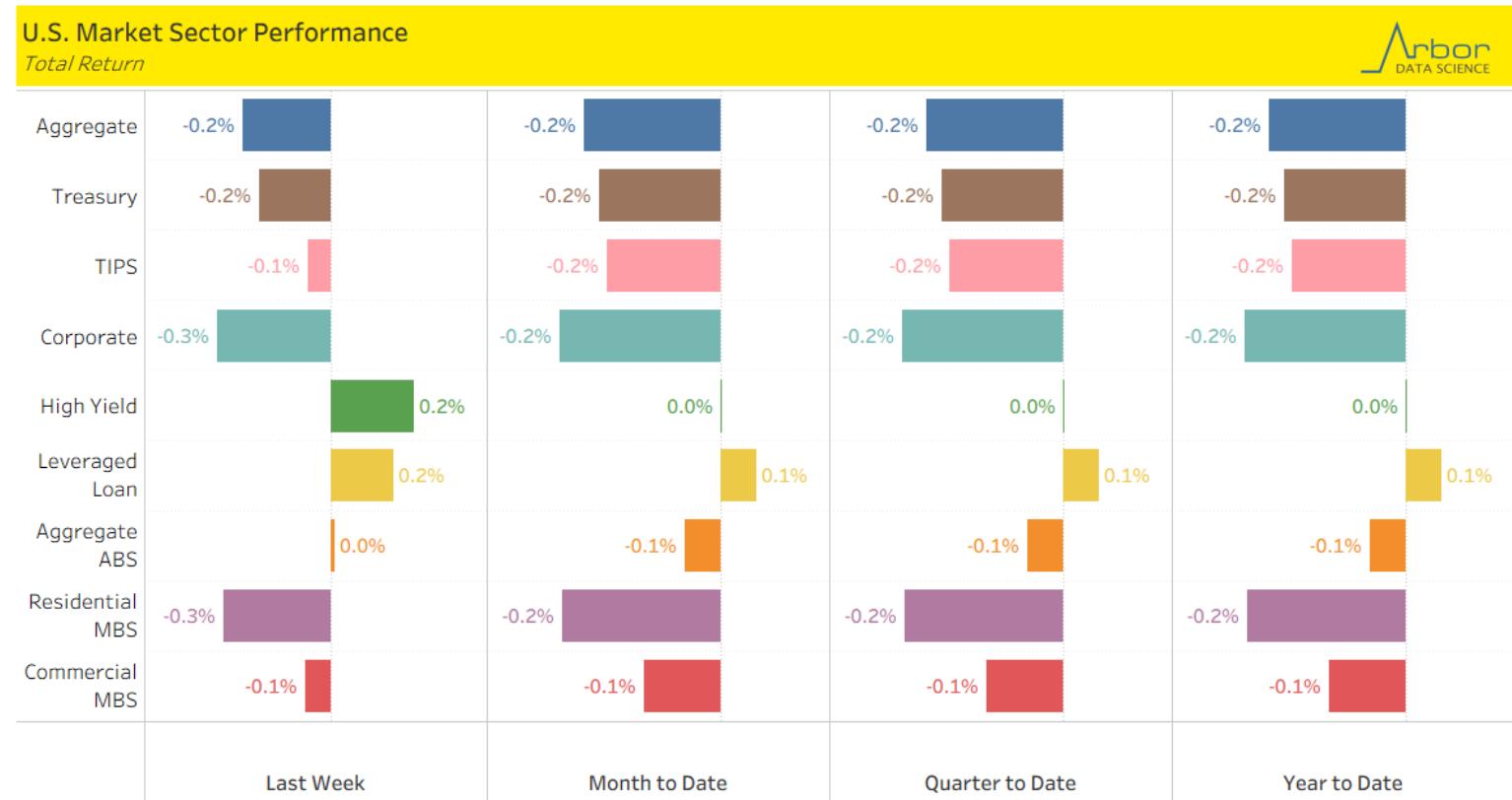
- Fixed Income and Corporate Sector Returns
- Options-Adjusted Spreads
- Biggest Movers
- Credit ETF Flows
- Issuance Recap

A Division of  Arbor Research & Trading, LLC  
Gus Handler and Scott Hirth  
[datascience.arborresearch.com](http://datascience.arborresearch.com)

# Fixed Income Sector Unhedged Total Returns

## Treasury curve steepens to start year

Long maturities struggled last week as investors kept cash close to home ahead of a busy week of primary issuance to start 2025. The curve steepened 6-7 bps.



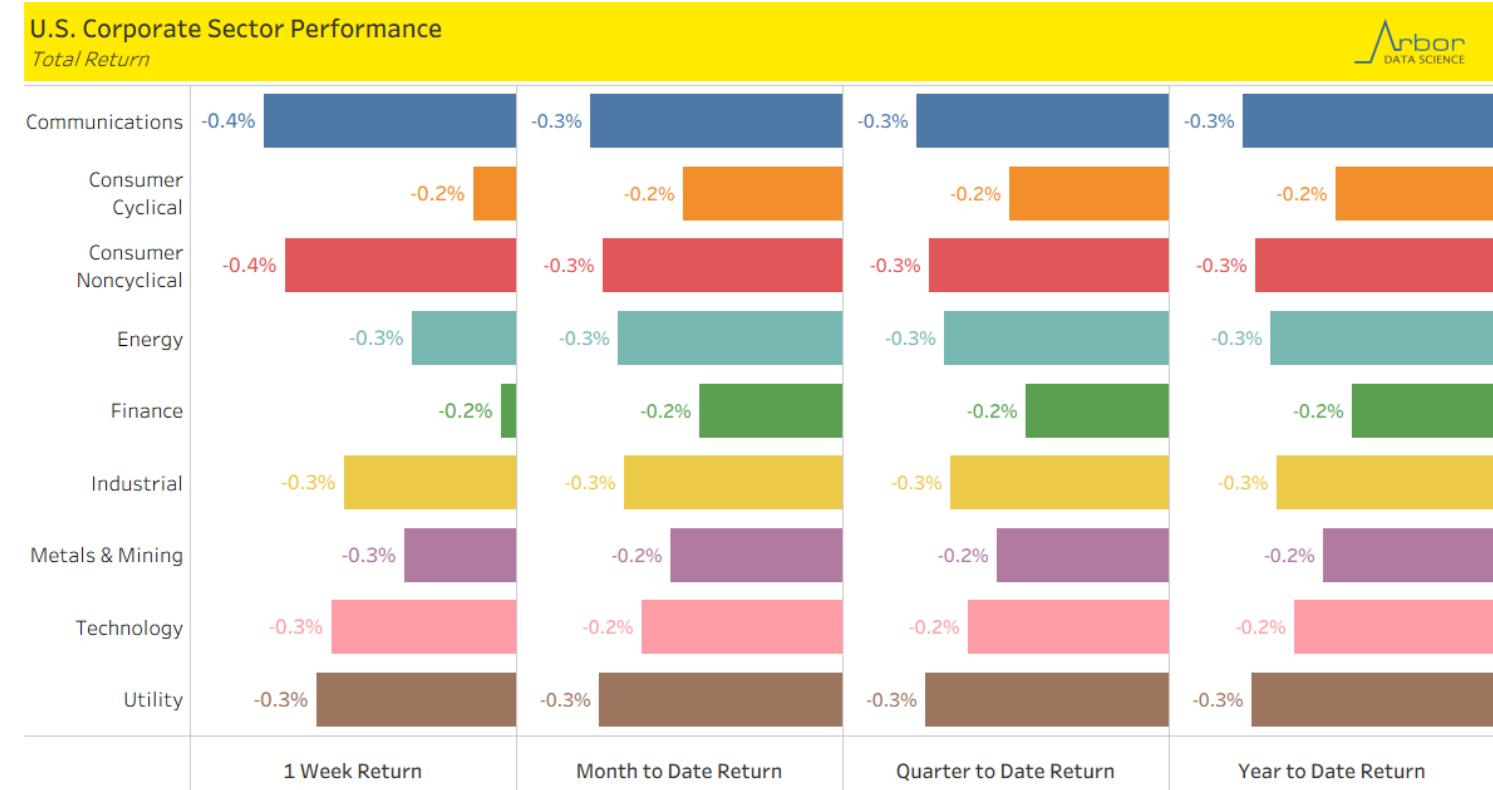
Data Source: Bloomberg Barclays, Credit Suisse

© 2026 Arbor Research & Trading, LLC. All Rights Reserved  
[datascience.arborresearch.com](http://datascience.arborresearch.com)

# Corporate Sector Unhedged Total Returns

**IG credit spreads starting the year little changed.**

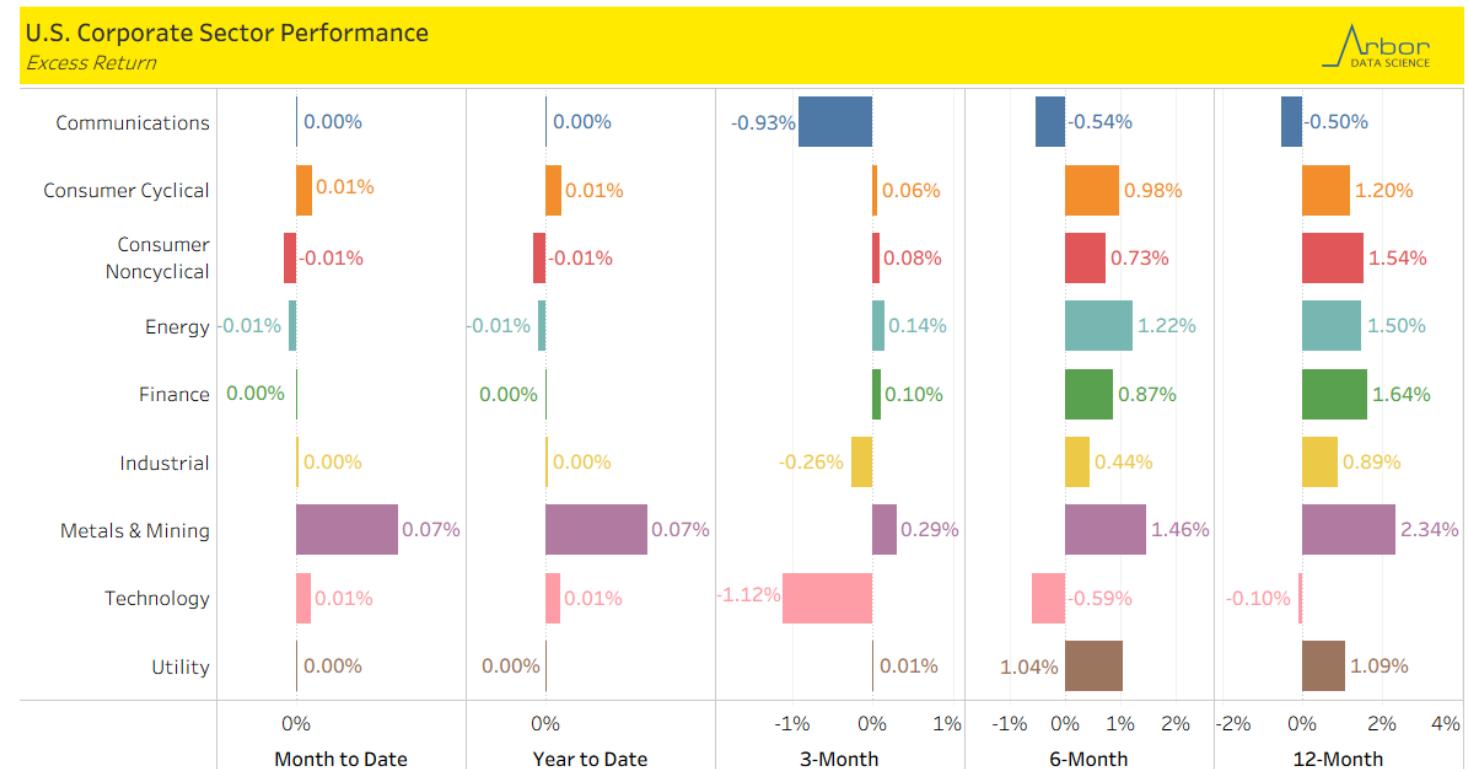
Spreads open the year unchanged after seeing the B of A IG index tighten 3 bps in December. All eyes are on the calendar.



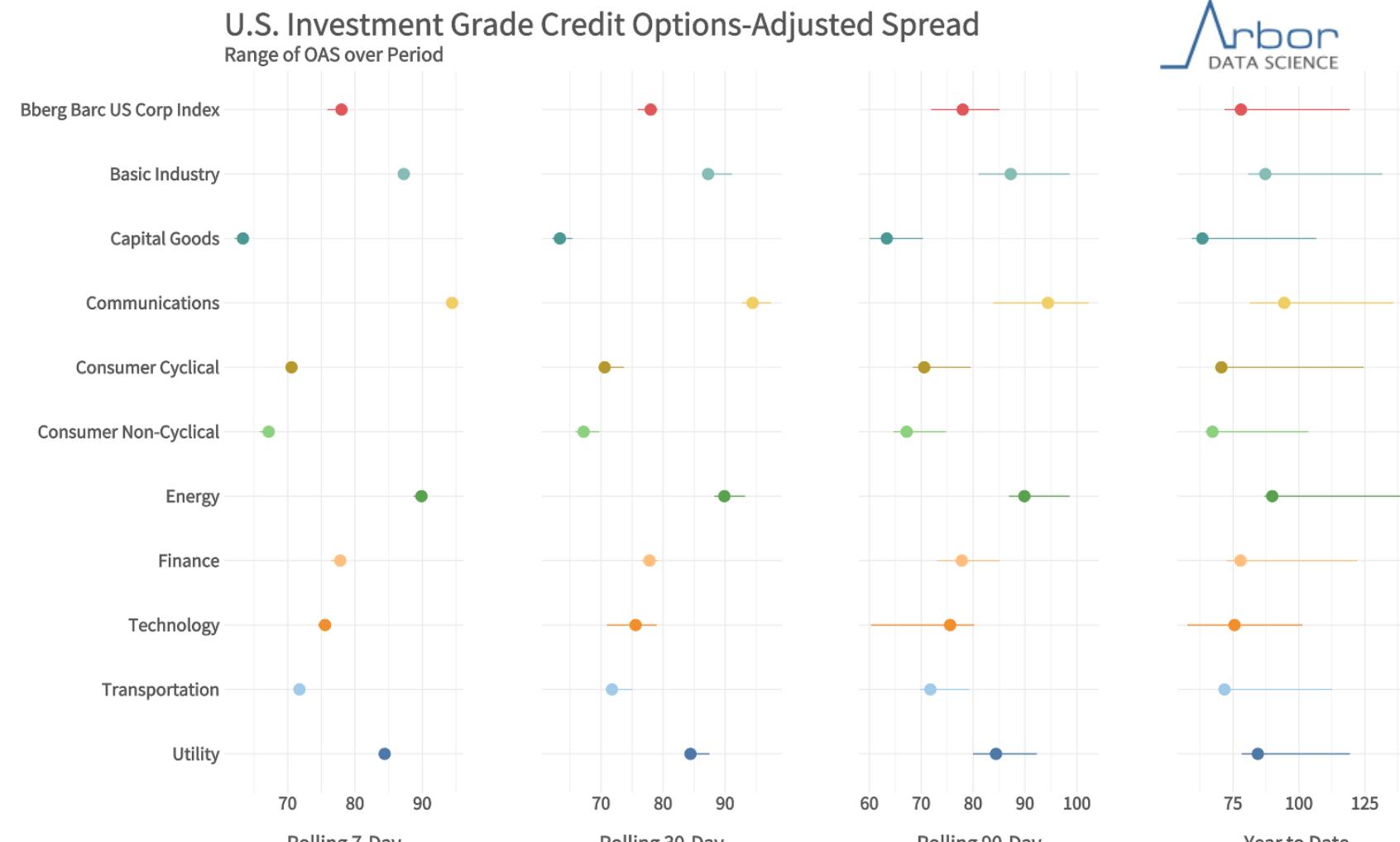
# Corporate Sector Excess Returns

## Heavy calendar expected to start the year

Credit spread performance this week is likely to be determined by how well primary issuance is received. 10+ deals are expected to be priced during Monday's session alone.



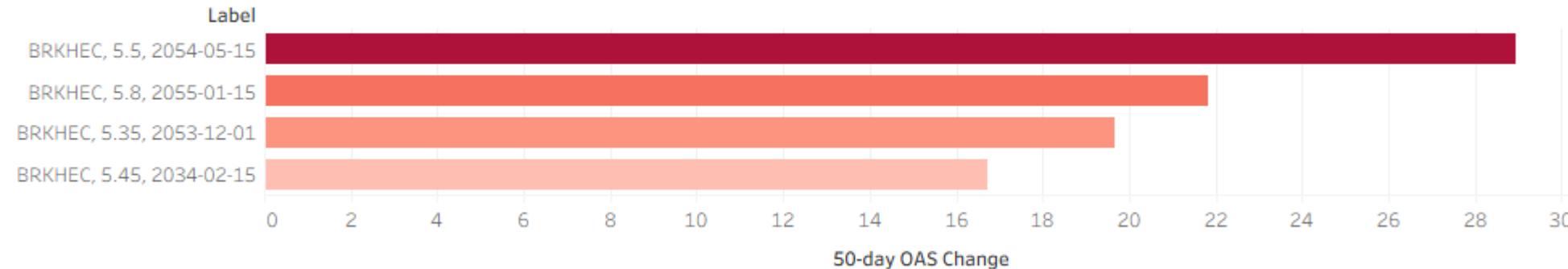
# Corporate Sector OAS



[datascience.arborresearch.com](http://datascience.arborresearch.com)

## U.S. Investment Grade Corporates

### Energy and Utilities - Biggest Movers



Data Source: Bloomberg LP

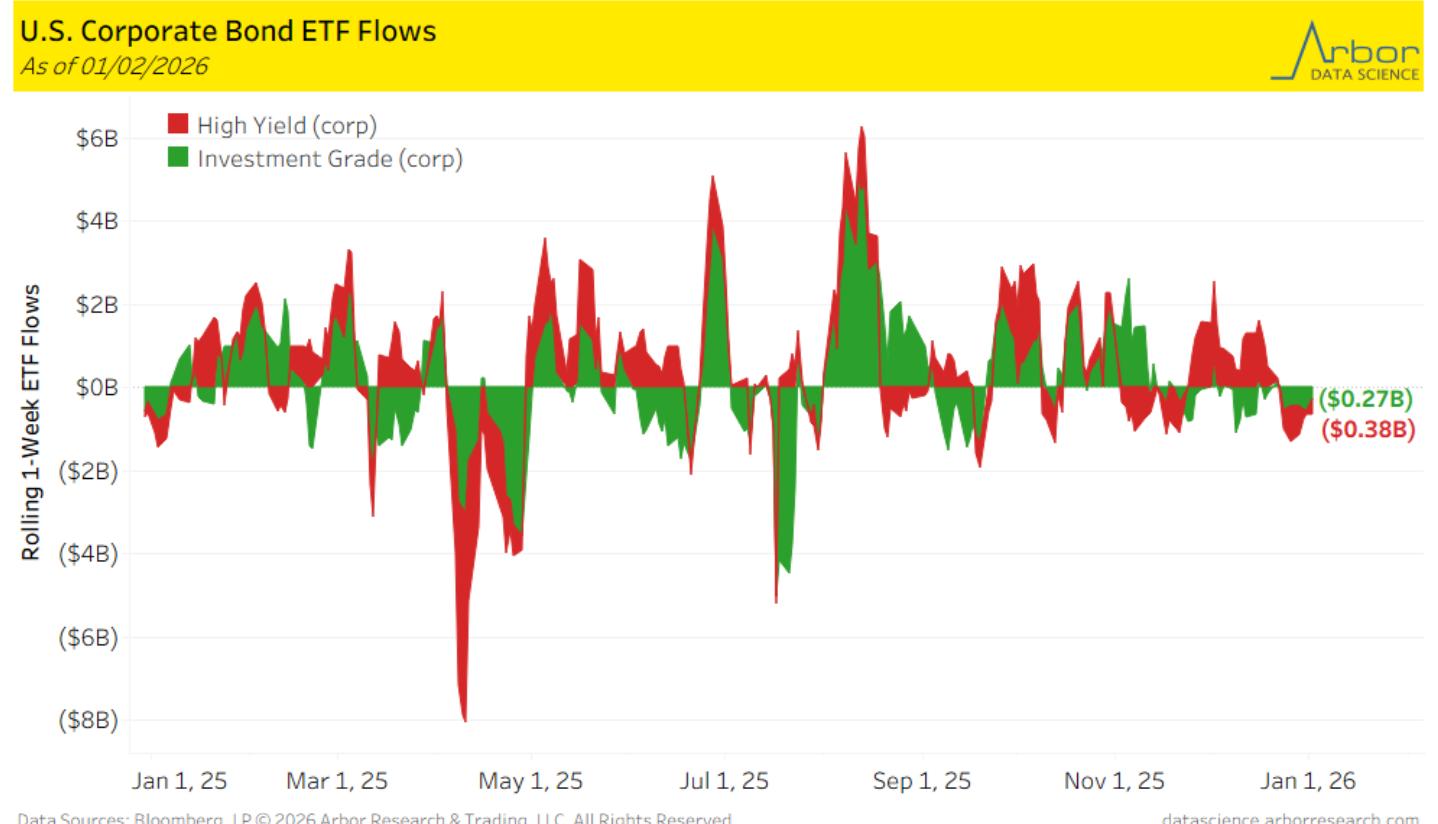
[datascience.arborresearch.com](http://datascience.arborresearch.com)

Utilities finished last week's trading +1 bp. Financials were under the most pressure, widening +3 bps ahead of what is expected to be a busy week of primary issuance.

# Corporate Bond ETF Flows

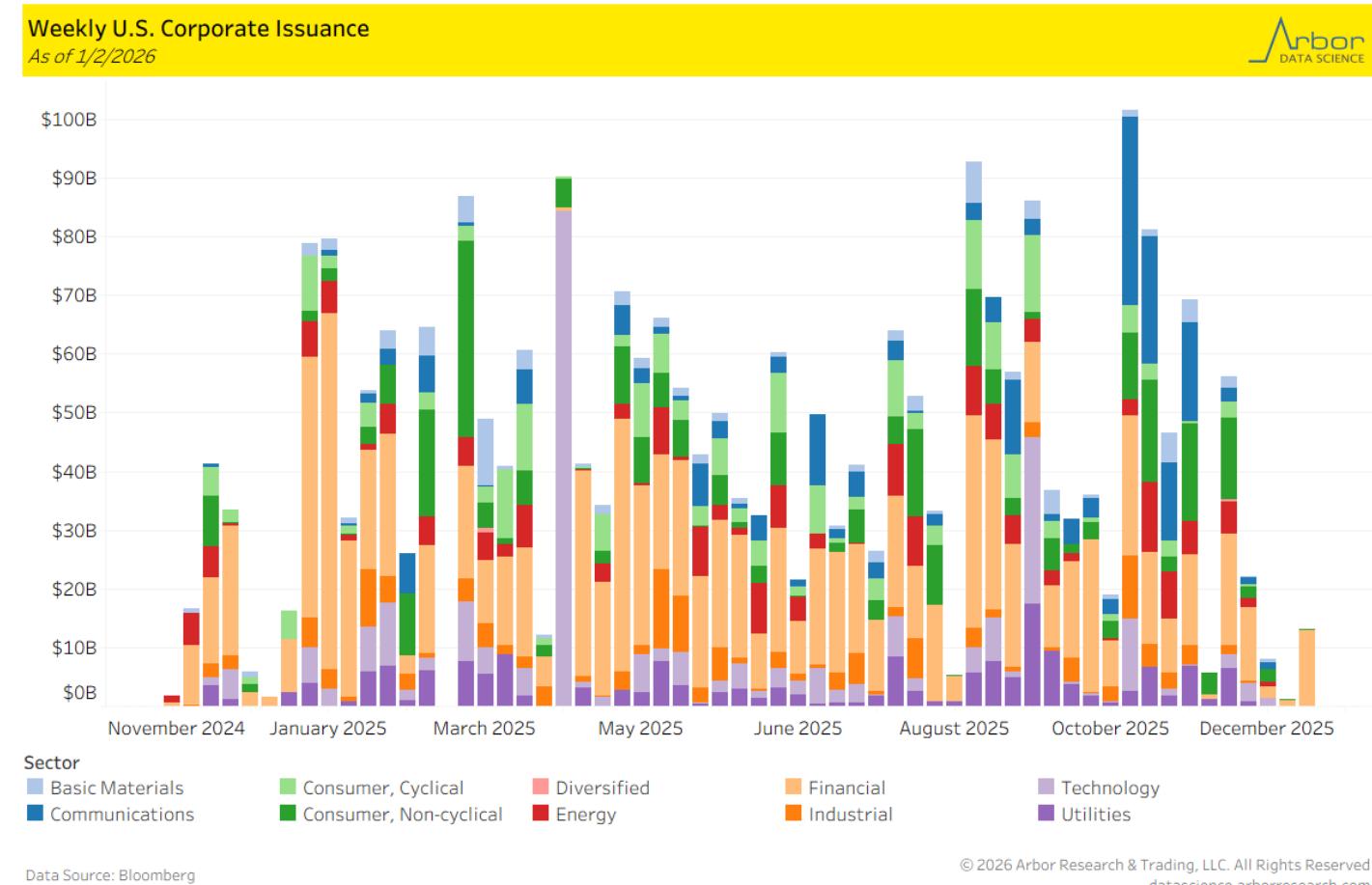
Corporate bond ETF flows were negative for the week ended 01/02/2026, with High-Yield ETFs losing \$0.28 billion and Investment-Grade ETFs losing \$0.25 billion.

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



# Issuance Recap

Expectations are for \$60 billion to be priced this week, and \$185 billion in January. 2025 issuance came in +7.5% vs. 2024, led by issuance from corporations (+16.1%).



## Contact Us

Give us a call for more information about our services and products.

**Kristen Radosh**

[kristen.radosh@arborresearch.com](mailto:kristen.radosh@arborresearch.com)

**Max Konzelman**

[max.konzelman@arborresearch.com](mailto:max.konzelman@arborresearch.com)

**Gus Handler**

[gus.handler@arborresearch.com](mailto:gus.handler@arborresearch.com)

**Sam Handler**

[sam.handler@arborresearch.com](mailto:sam.handler@arborresearch.com)

Arbor Research & Trading, LLC

22333 Classic Court

Lake Barrington, IL 60010

1-800-606-1872

[datascience.arborresearch.com](http://datascience.arborresearch.com)



Copyright 2025 Arbor Research & Trading, LLC. This message is intended only for the personal and confidential use of the designated recipient(s) named above. If you are not the intended recipient of this message you are hereby notified that any review, dissemination, distribution or copying of this message is strictly prohibited. This communication is for information purposes only and should not be regarded as an offer to sell or as a solicitation of an offer to buy any financial product, an official confirmation of any transaction, or as an official statement of Broadstone Insights. Email transmission cannot be guaranteed to be secure or error-free. Therefore, we do not represent that this information is complete or accurate and it should not be relied upon as such. All information is subject to change without notice.