

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

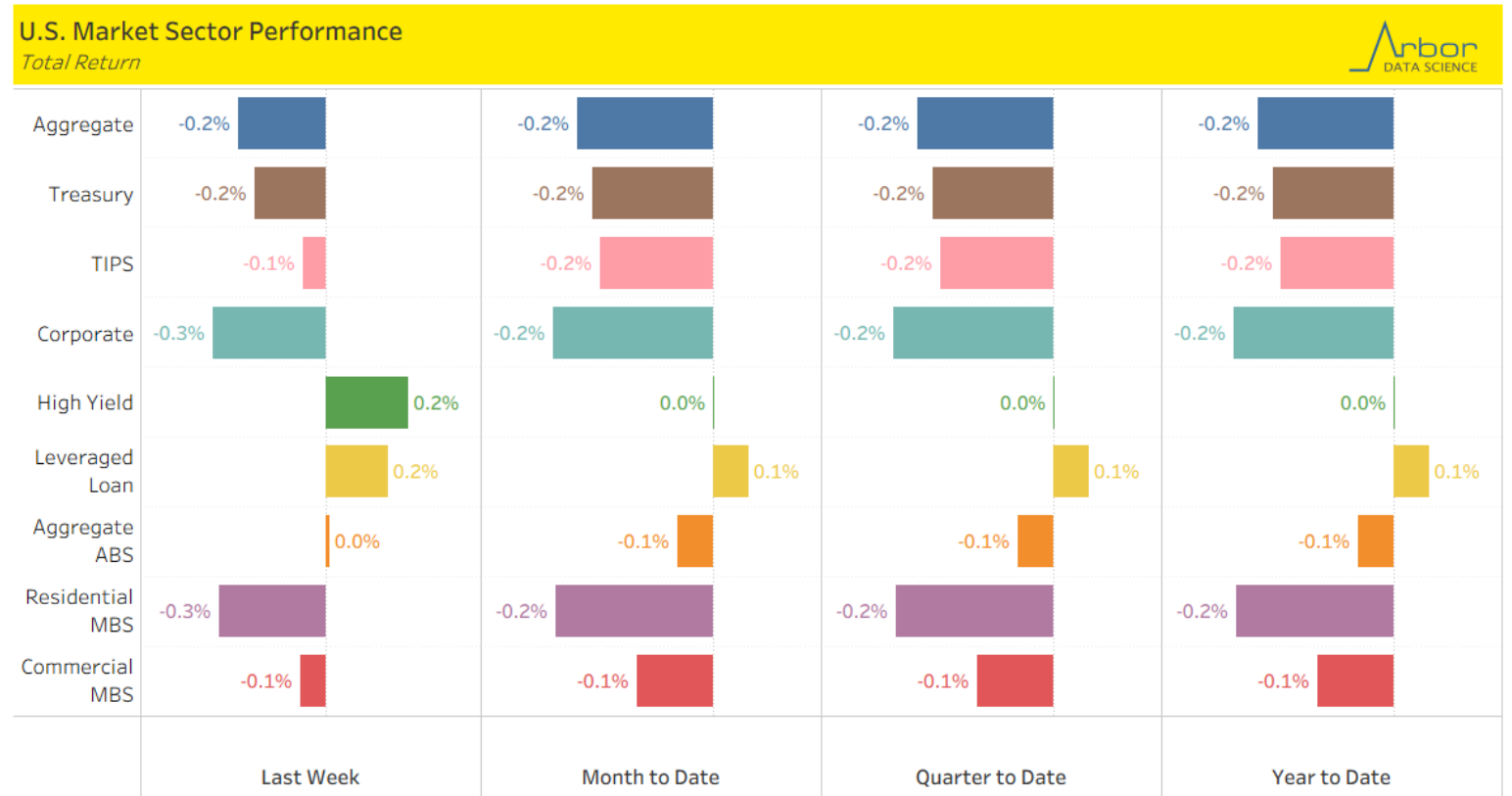
- Fixed Income and Corporate Sector Returns
- Options-Adjusted Spreads
- Biggest Movers
- Credit ETF Flows
- Issuance Recap

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Gus Handler and Scott Hirth  
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# 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.



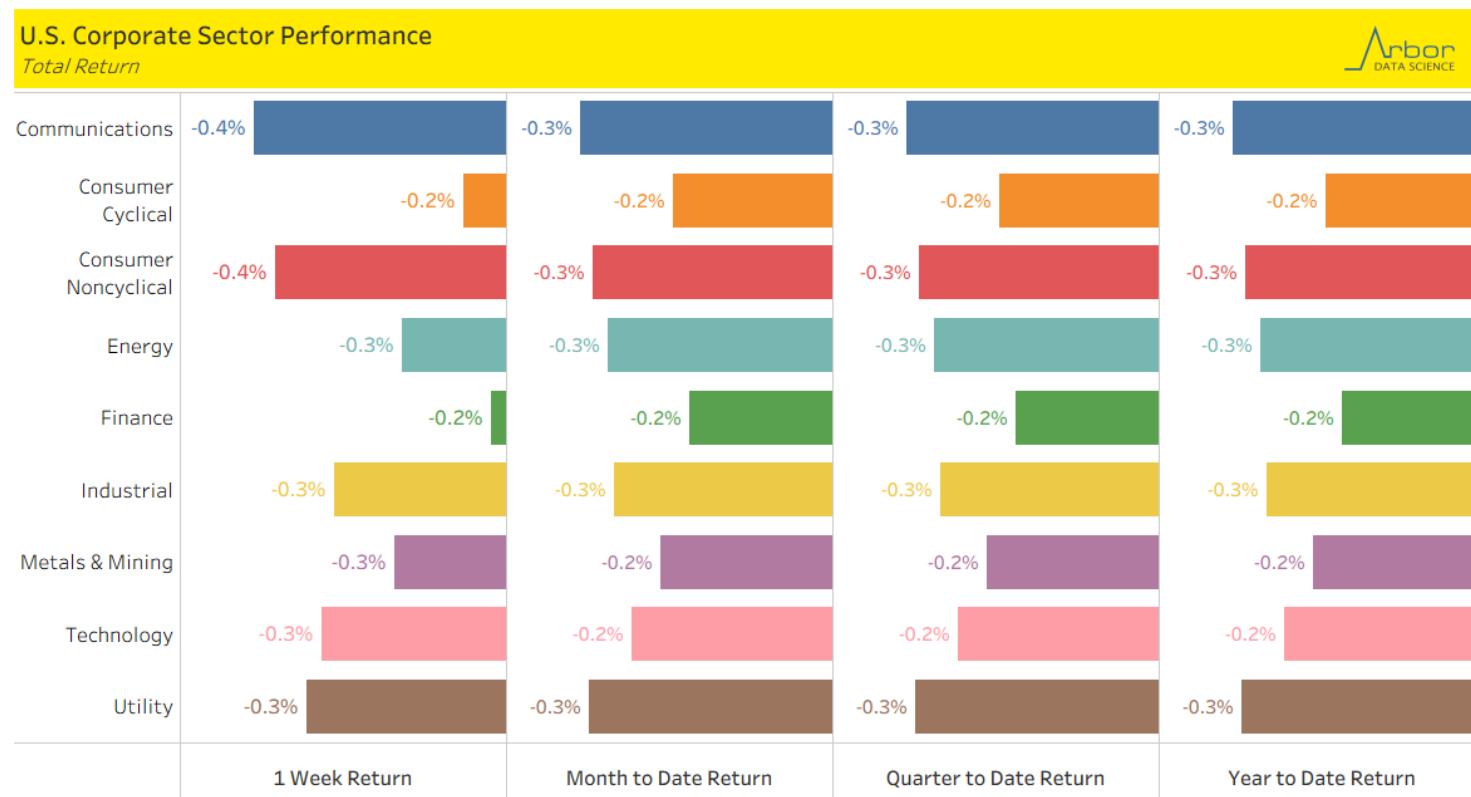
Data Source: Bloomberg Barclays, Credit Suisse

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# 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.

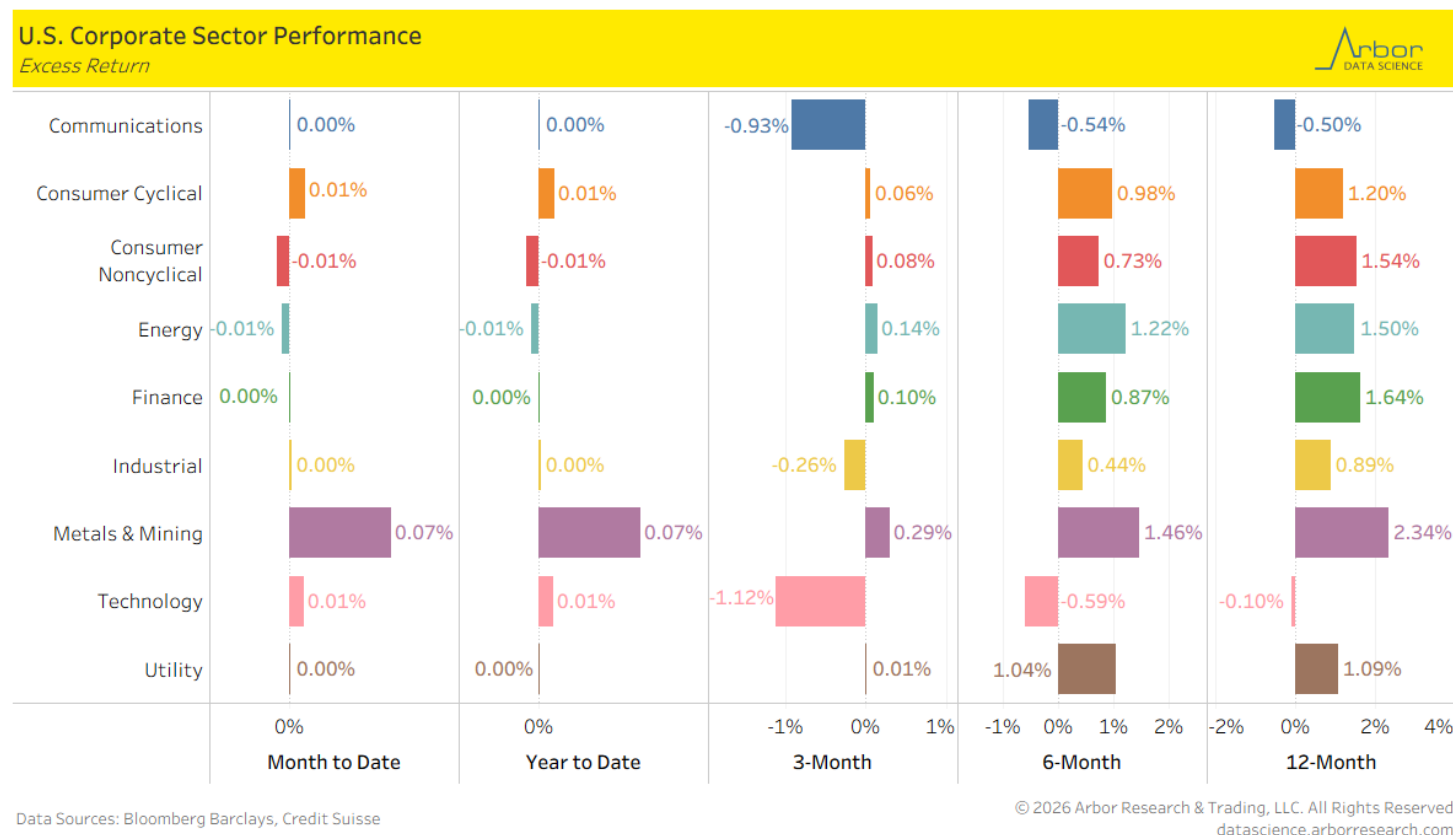


Data Source: Bloomberg Barclays, Credit Suisse

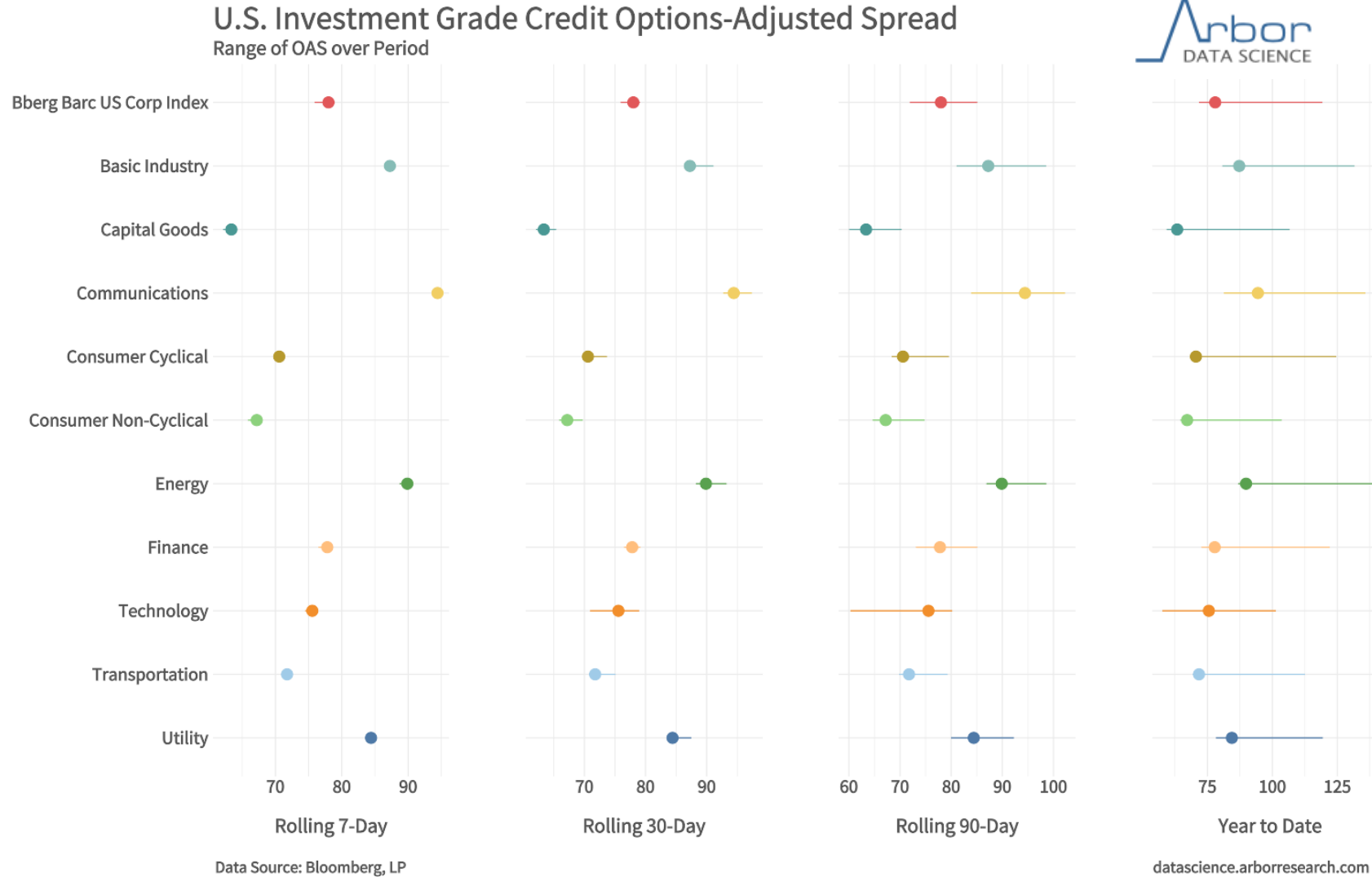
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# Corporate Sector Excess Returns

**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.

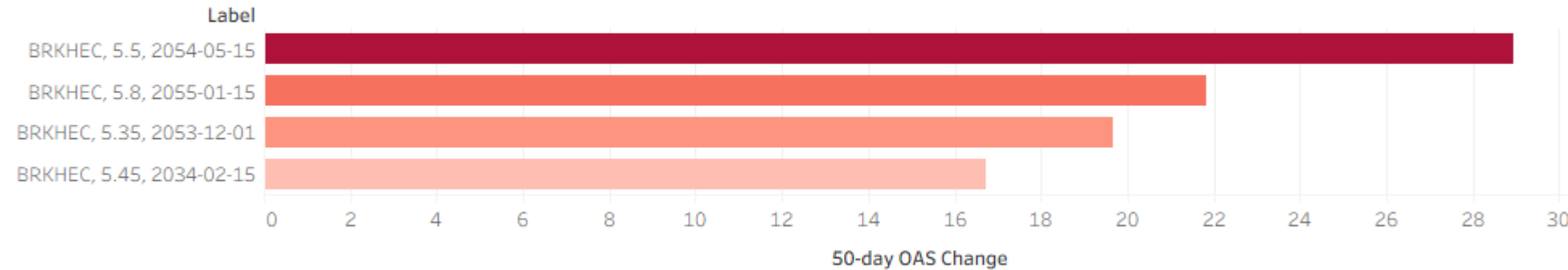


# Corporate Sector OAS



## U.S. Investment Grade Corporates

*Energy and Utilities - Biggest Movers*



Data Source: Bloomberg LP

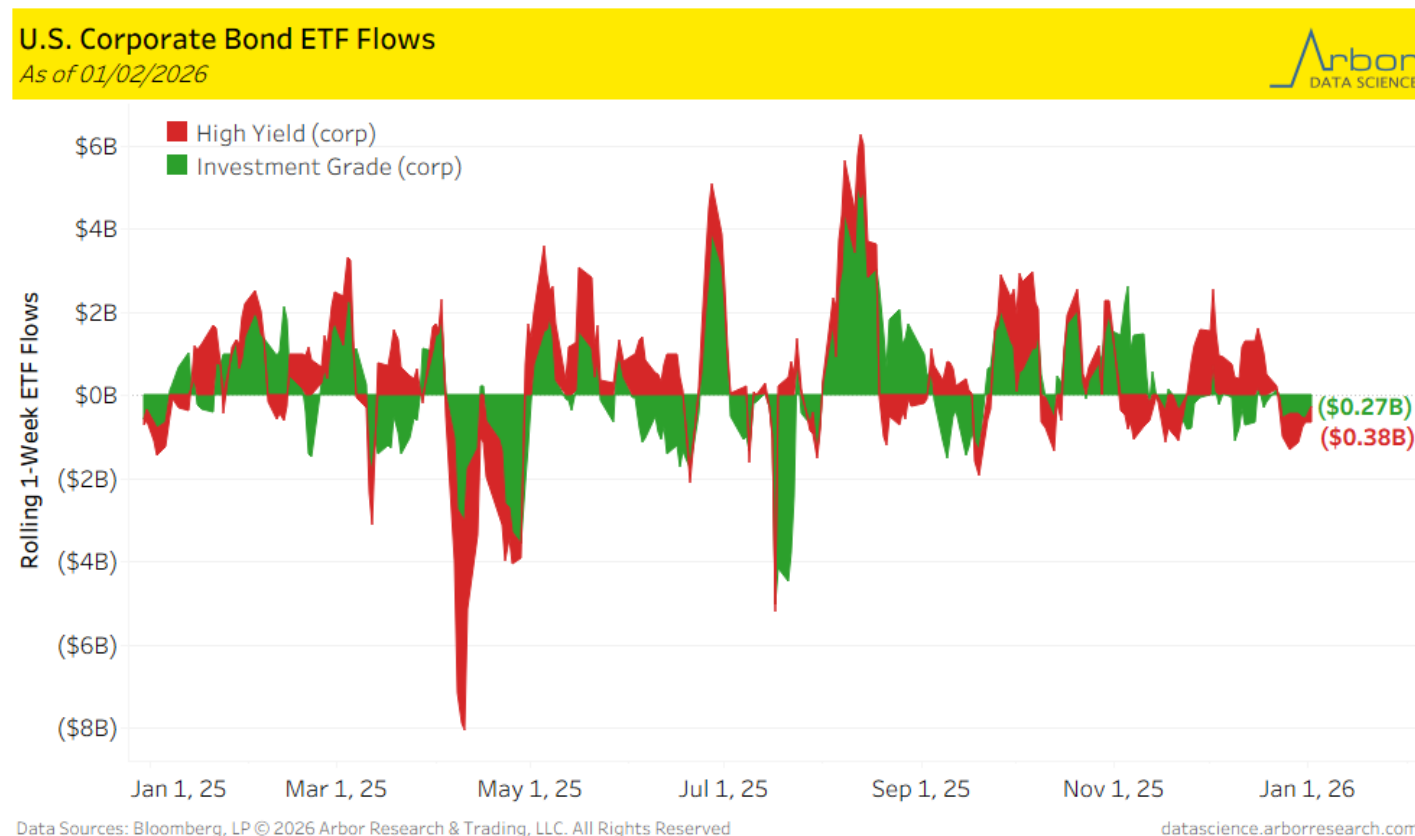
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Utilities finished last week's trading +1 bp. Financials were under the most pressure, widening +3 bps ahead of what is expected to be a busy week of primary issuance.

# Corporate Bond ETF Flows

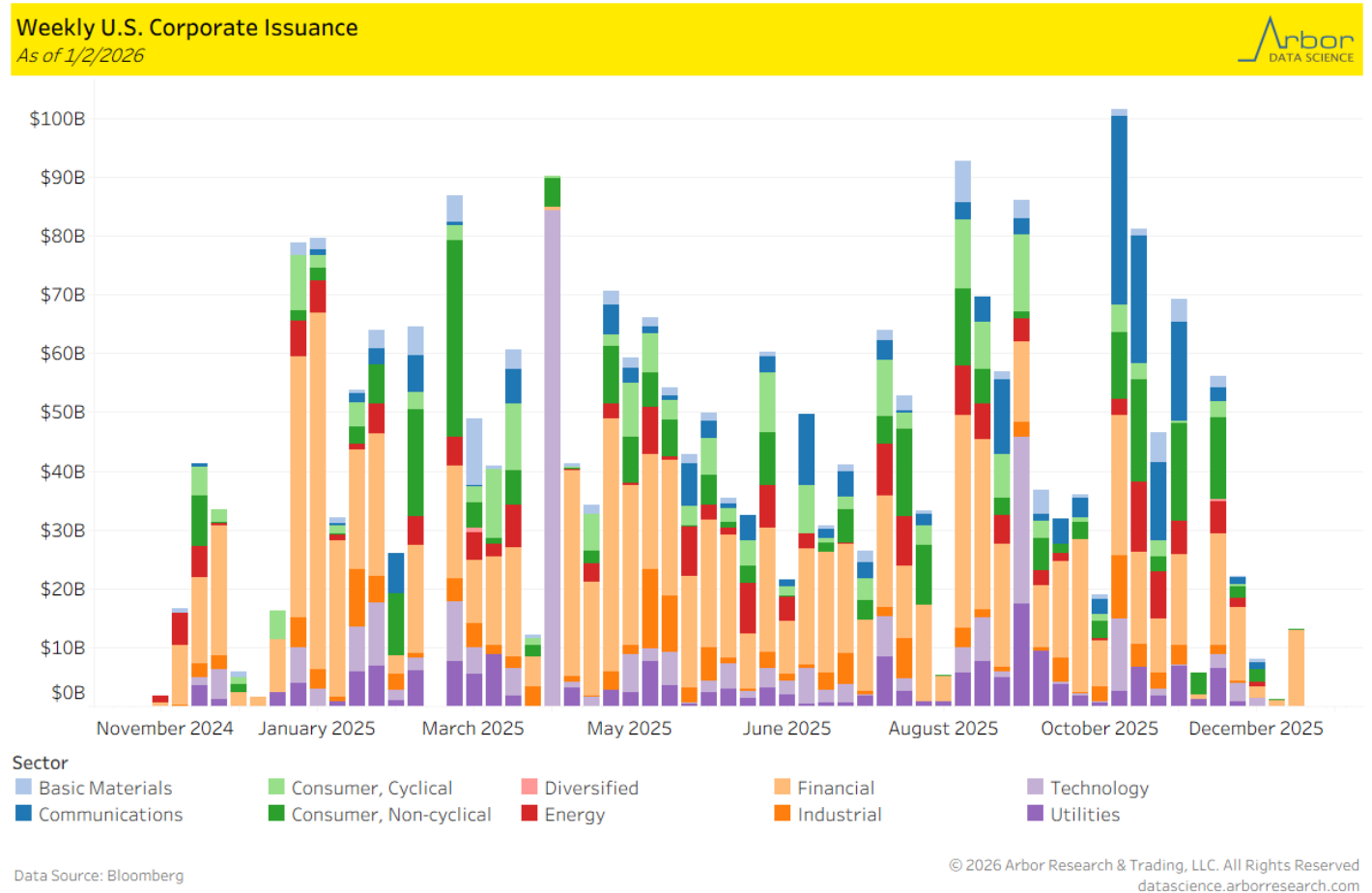
Corporate bond ETF flows were negative for the week ended 01/02/2026, with High-Yield ETFs losing \$0.28 billion and Investment-Grade ETFs losing \$0.25 billion.

*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)



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