Arbor DATA SCIENCE

U.S. Credit Update – March 03, 2026

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

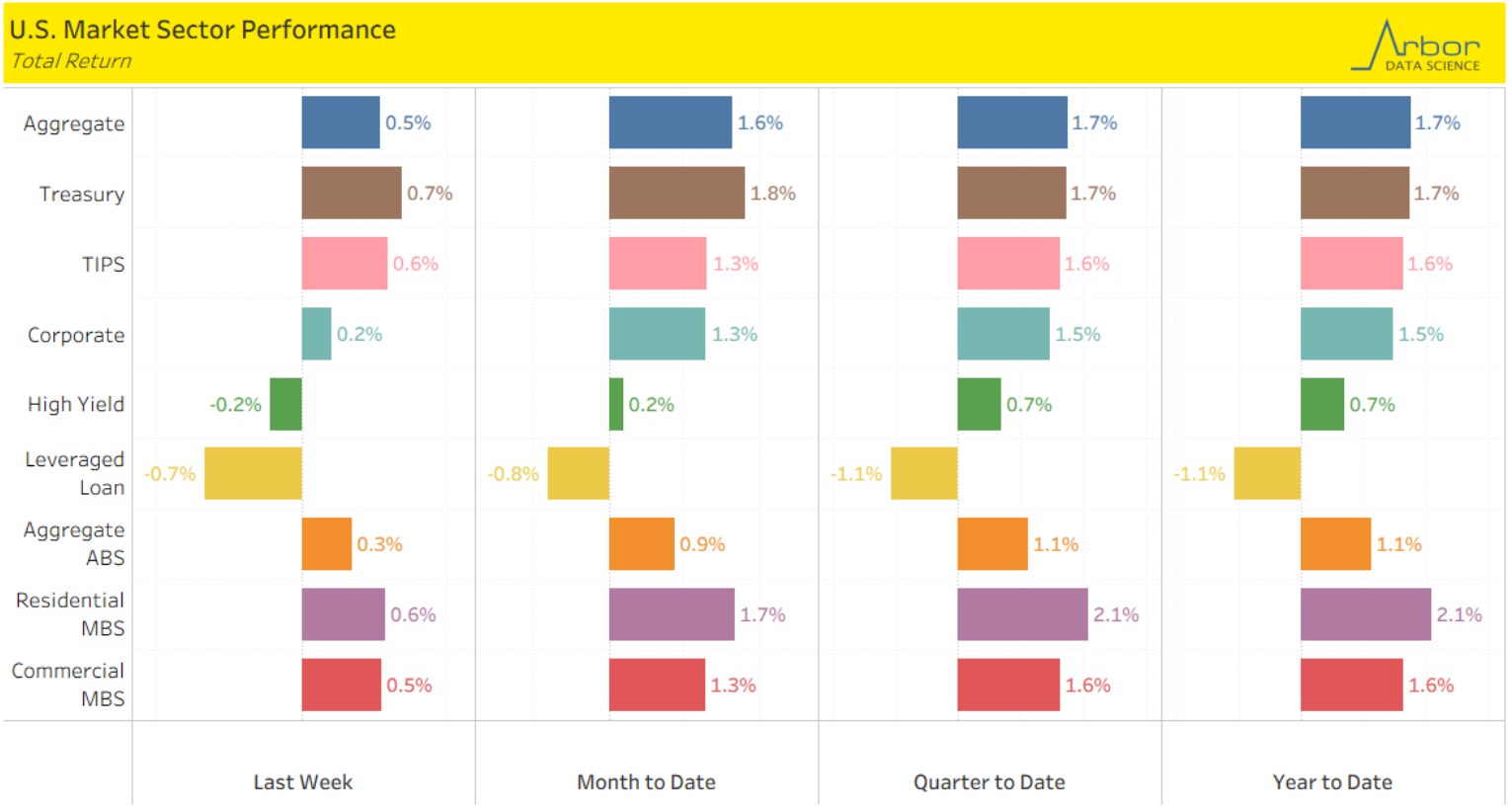
A Division of Arbor Research & Trading, LLC

Gus Handler and Scott Hirth
datascience.arborresearch.com

© 2026 Arbor Research & Trading, LLC. All Rights Reserved

Fixed Income Sector Unhedged Total Returns

Short rates fall to 6-month low.
The front end of the Treasury curve fell 10-14 bps last week as accounts didn't want to go home short for the weekend ahead of US/Iran tensions. Rates have reversed by 5-10 bps to begin the week following a large jump in energy prices given the weekend's events.

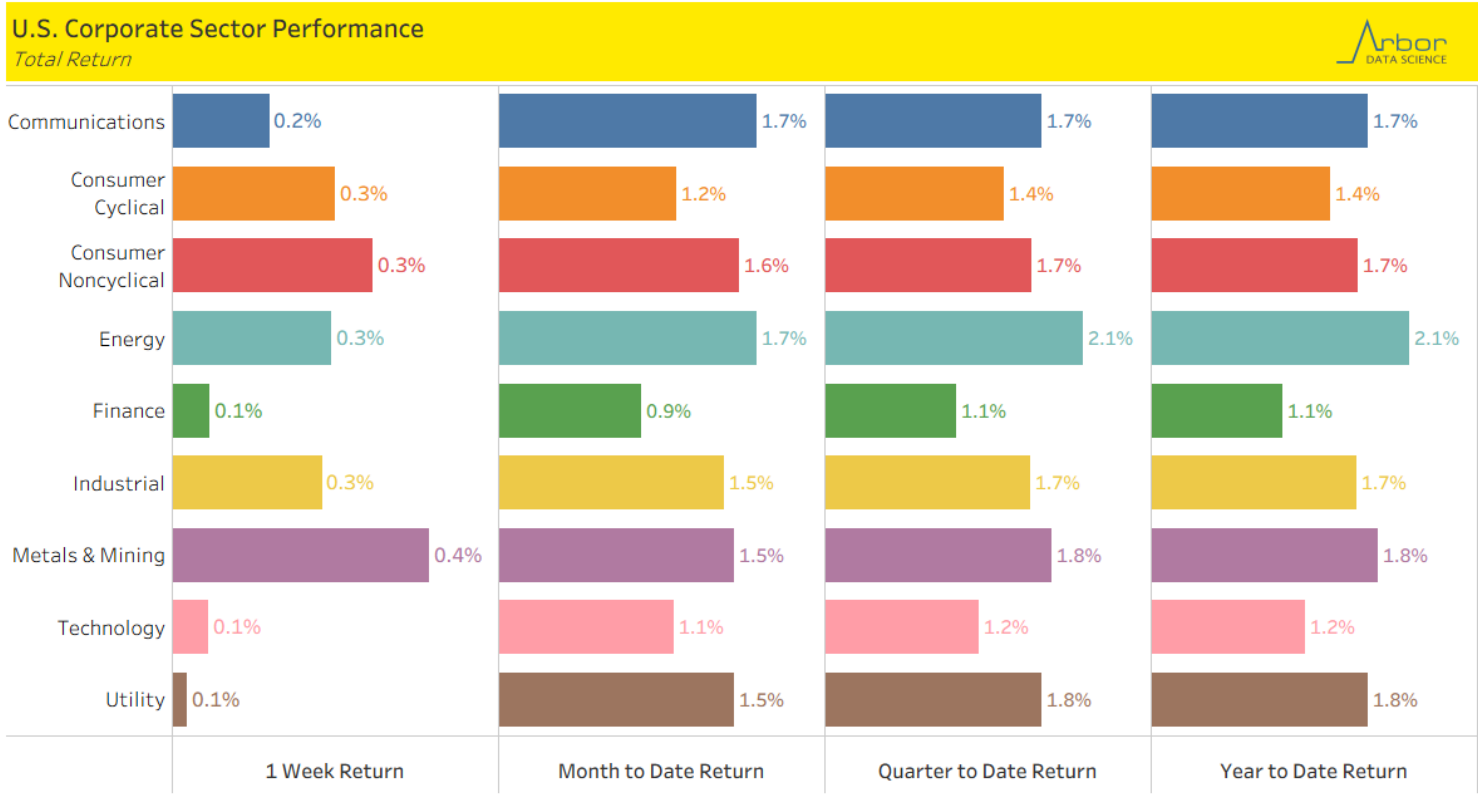


Data Source: Bloomberg Barclays, Credit Suisse

© 2026 Arbor Research & Trading, LLC. All Rights Reserved
datascience.arborresearch.com

Corporate Sector Unhedged Total Returns

Cash spreads reverse last week's tightening. Client selling pressured the market as the week progressed, moving cash spreads 5-12 bps softer generically. Higher beta and recently beat up sectors fared even worse. Mid-low BBB BDCs and insurance companies went out as much as +20-30 bps into a weak month end trade.

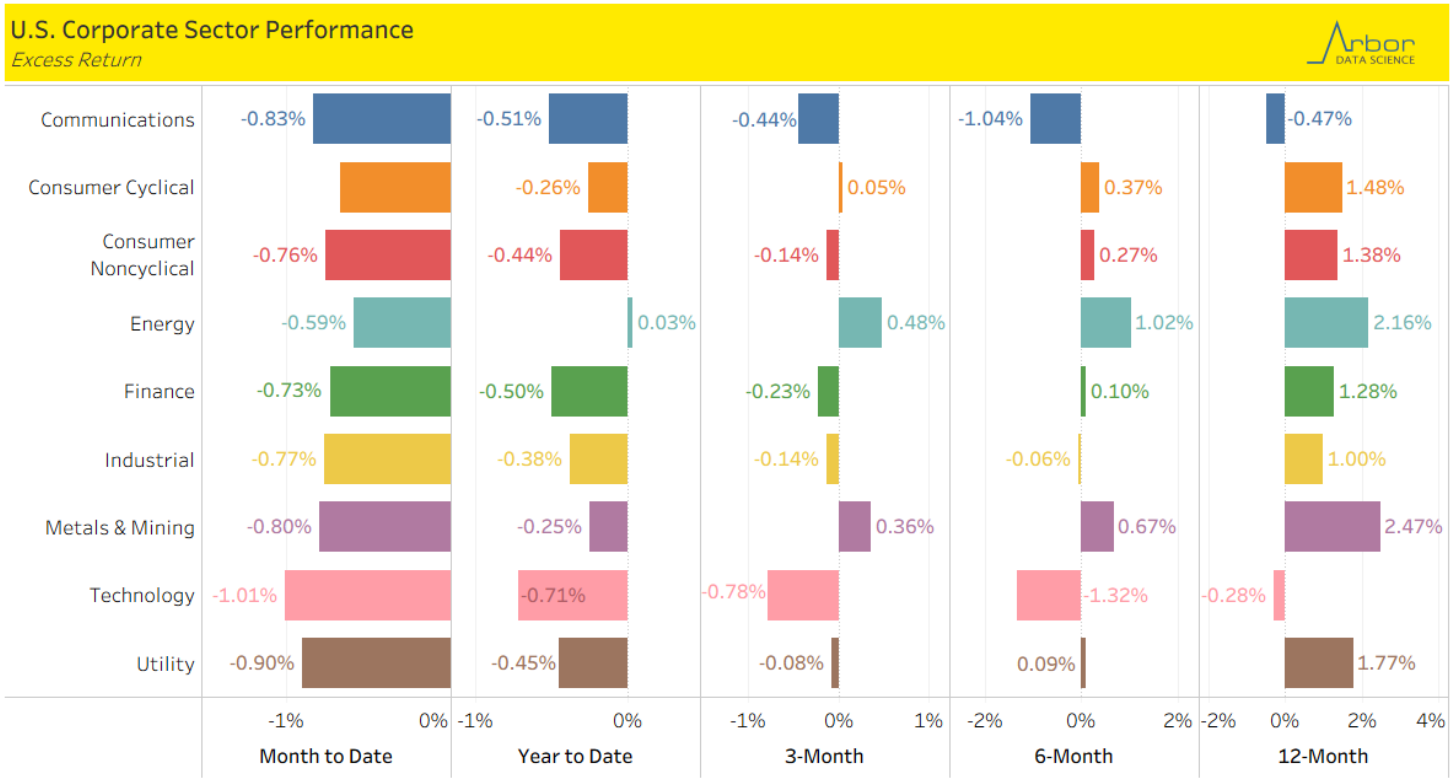


Data Source: Bloomberg Barclays, Credit Suisse

© 2026 Arbor Research & Trading, LLC. All Rights Reserved
datascience.arborresearch.com

Corporate Sector Excess Returns

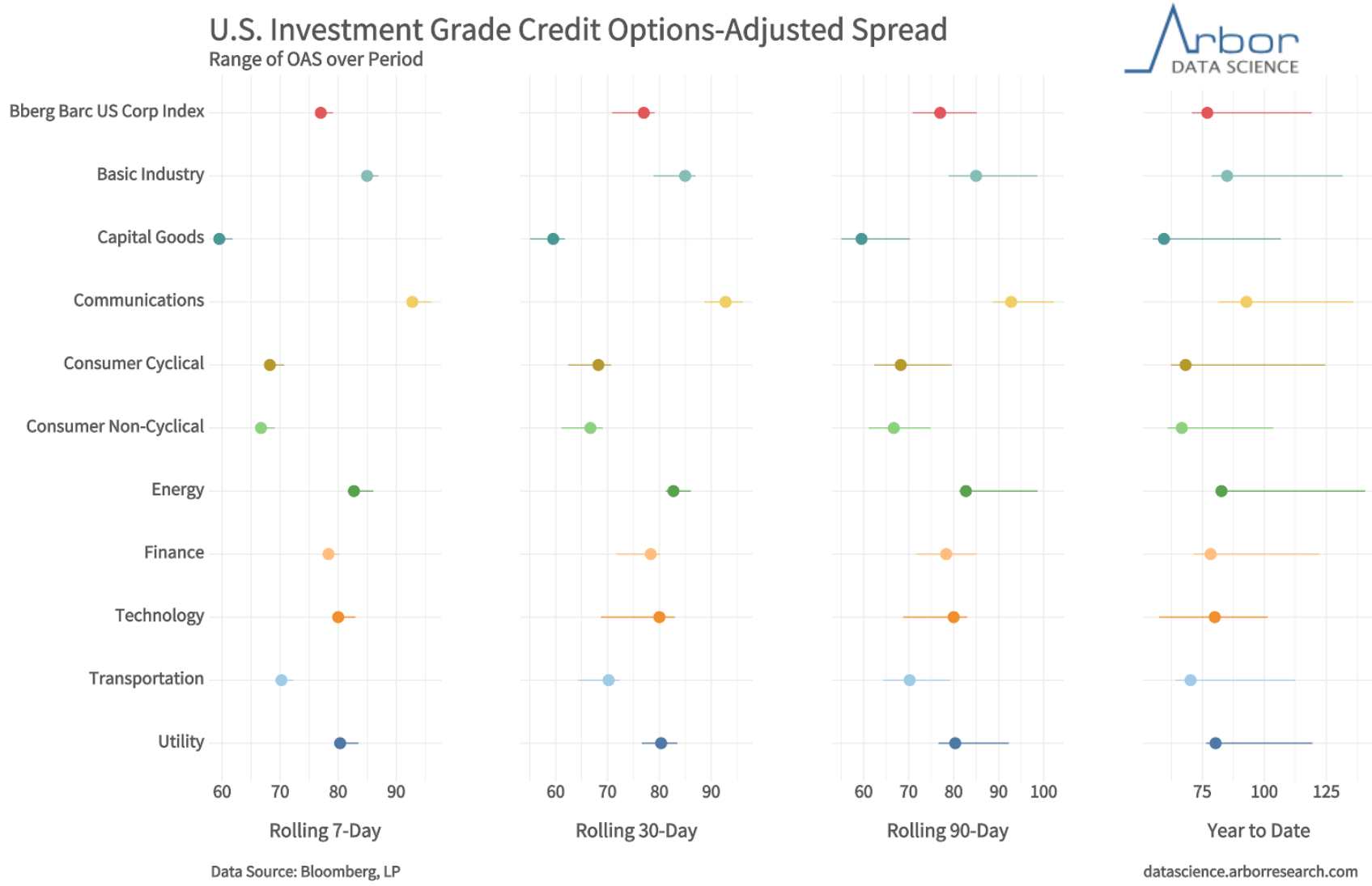
Tough week for TMT.
TMT proved to be one of the worst performing sectors last week. PARA won the bid for WBD as NFLX dropped out. PARA long bonds widened +76 bps during Friday's session. Actively traded ORCL closed the week +20-25 bps. ORCL 30-years, which priced on February 2nd at +180, closed month +50 bps from issuance.



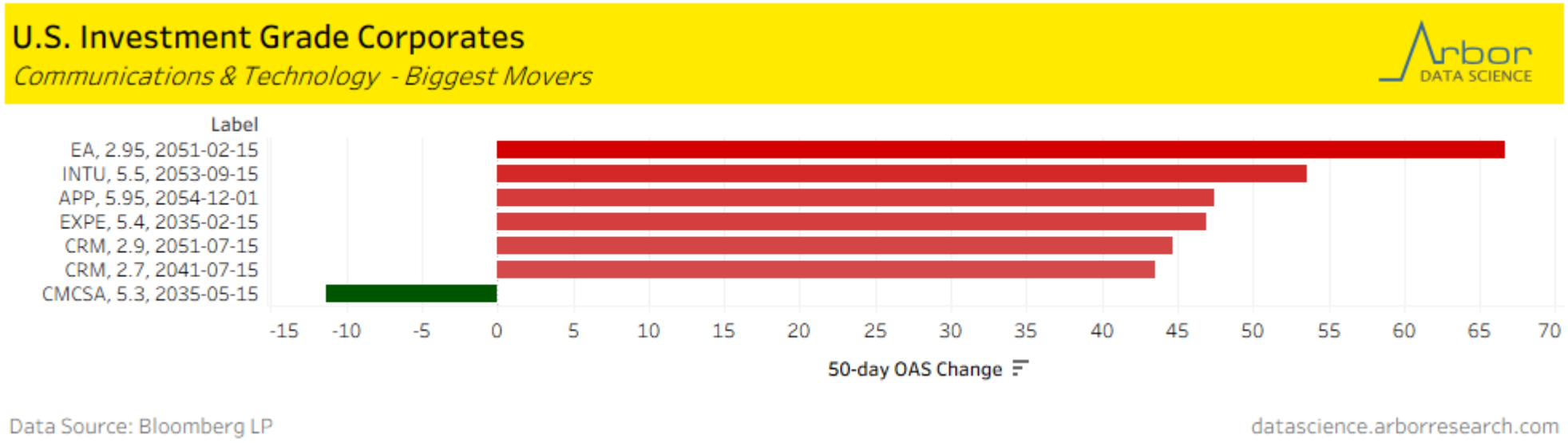
Data Sources: Bloomberg Barclays, Credit Suisse

© 2026 Arbor Research & Trading, LLC. All Rights Reserved
datascience.arborresearch.com

Corporate Sector OAS



© 2026 Arbor Research & Trading, LLC. All Rights Reserved 2026-03-03



IG bond funds saw smaller inflows last week with $7.25 billion being added vs. +$9.63 billion last week. Mutual funds lost -$0.28 billion vs. +$1.54 billion during the prior survey period. ETF inflows fell to +$7.53 billion from +$8.1 billion.

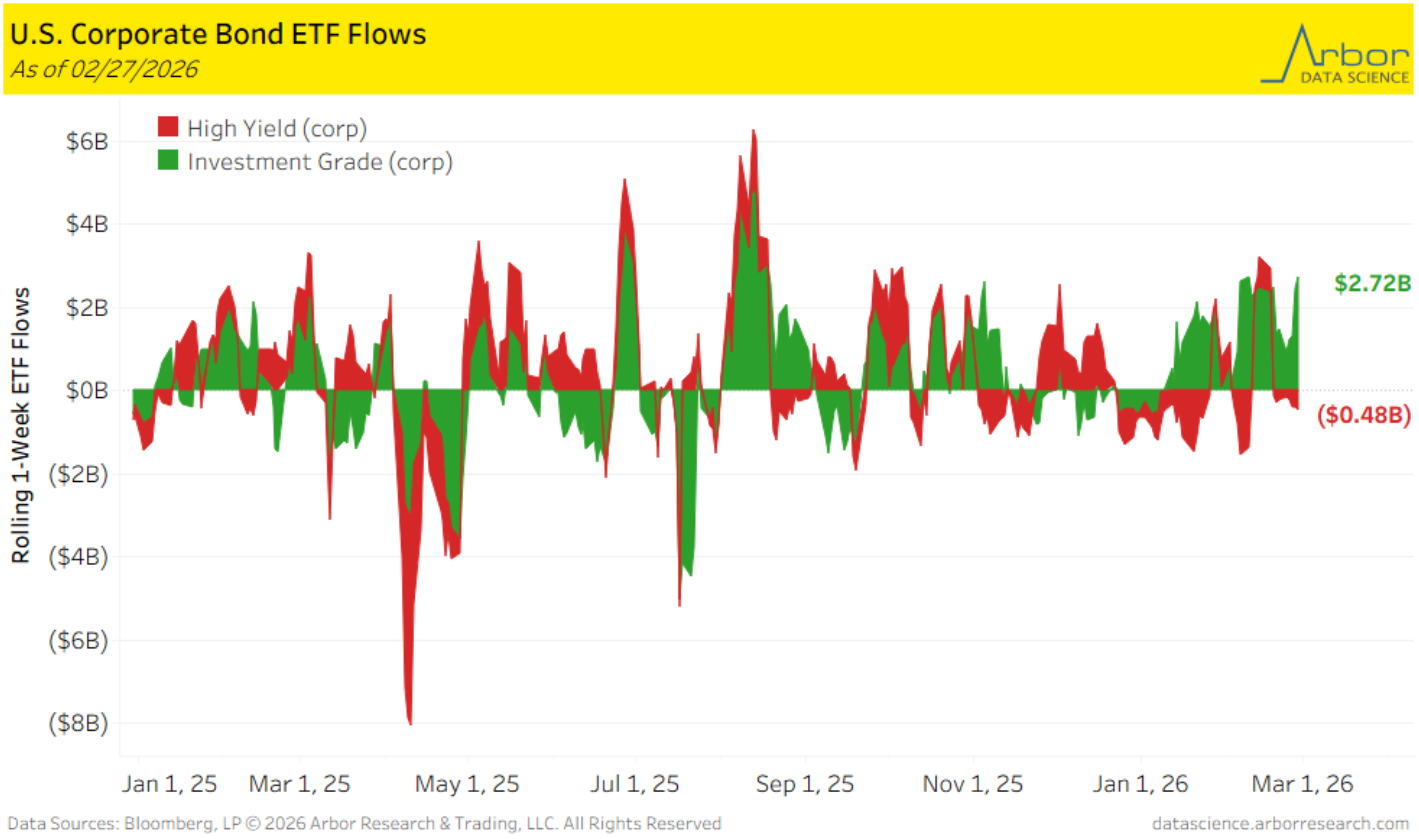
Loans fell -$0.91 billion vs. +$0.39 billion previously. This marked the largest outflow in 10 weeks for the asset class.

© 2026 Arbor Research & Trading, LLC. All Rights Reserved 2026-03-03

Corporate Bond ETF Flows

Corporate bond ETF flows were mixed for the week ended 02/27/2026, with High-Yield ETFs losing $0.48 billion and Investment-Grade ETFs gaining $2.72 billion.

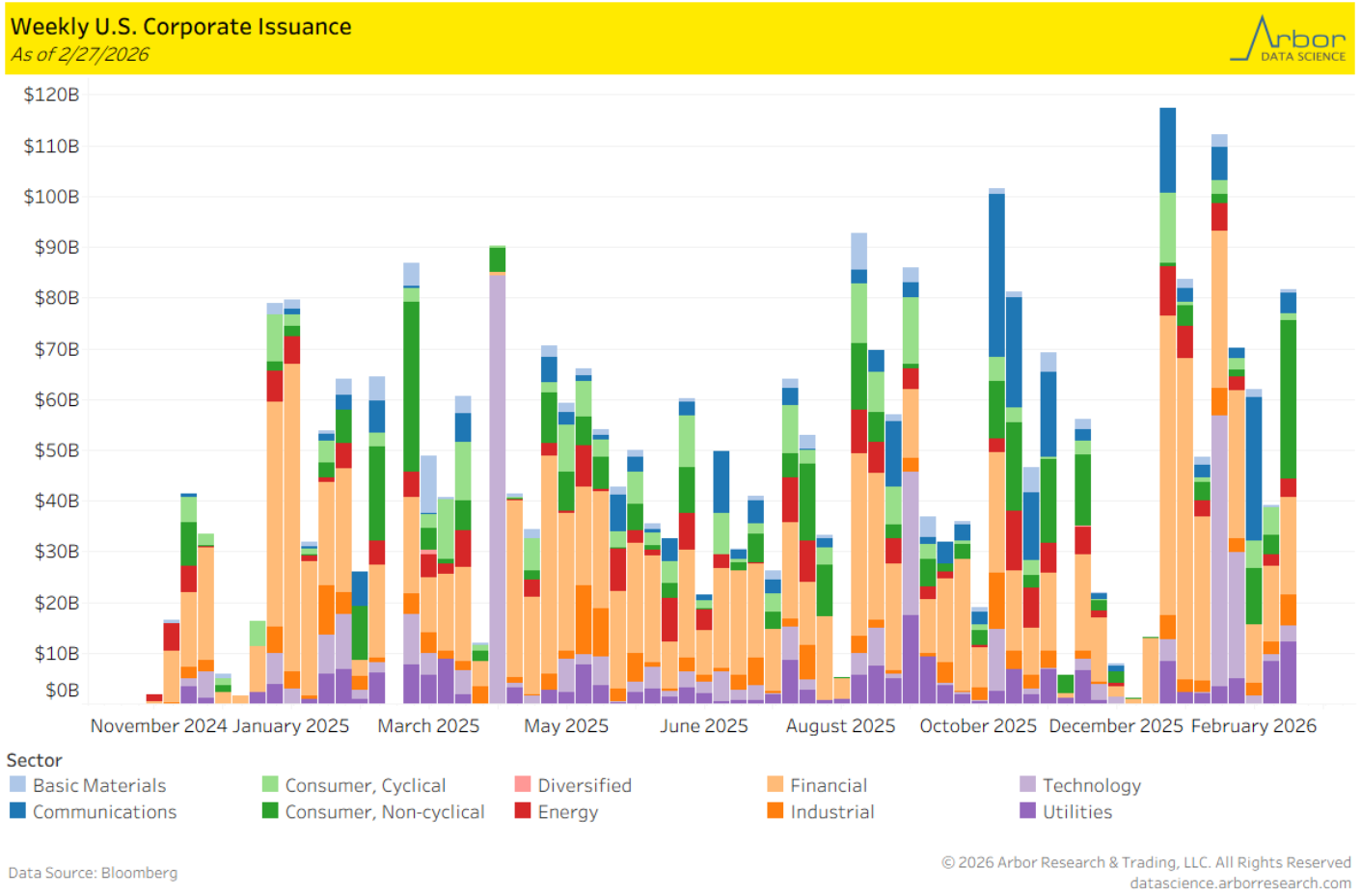
The chart shows stacked rolling one-week flows into corporate bond ETFs.



© 2026 Arbor Research & Trading, LLC. All Rights Reserved

Issuance Recap

Primary issuance closed February at $193 billion vs. $183 billion estimates. New deal totals are +16% YoY, with corporate issuance rising 38% and financials about flat. The first two month of 2026 are +39% vs. the 5-year average. $70 billion is expected next week, and a robust $225 billion in total in March.



© 2026 Arbor Research & Trading, LLC. All Rights Reserved

Contact Us

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

Kristen Radosh
kristen.radosh@arborresearch.com
Max Konzelman
max.konzelman@arborresearch.com
Gus Handler
gus.handler@arborresearch.com
Sam Handler
sam.handler@arborresearch.com

Arbor Research & Trading, LLC
22333 Classic Court
Lake Barrington, IL 60010
1-800-606-1872
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.

© 2026 Arbor Research & Trading, LLC. All Rights Reserved
2026-03-03