

April 2026

Markets Rebounded Following Iran Ceasefire

Risk assets rebounded strongly after two down months

Higher Risk Outperformed

Lower quality assets rebounded with CCC & AT1 leading

GBP Credit Lagged

Owing to muted spread tightening and rising Gilt yields

Primary Markets Elevated

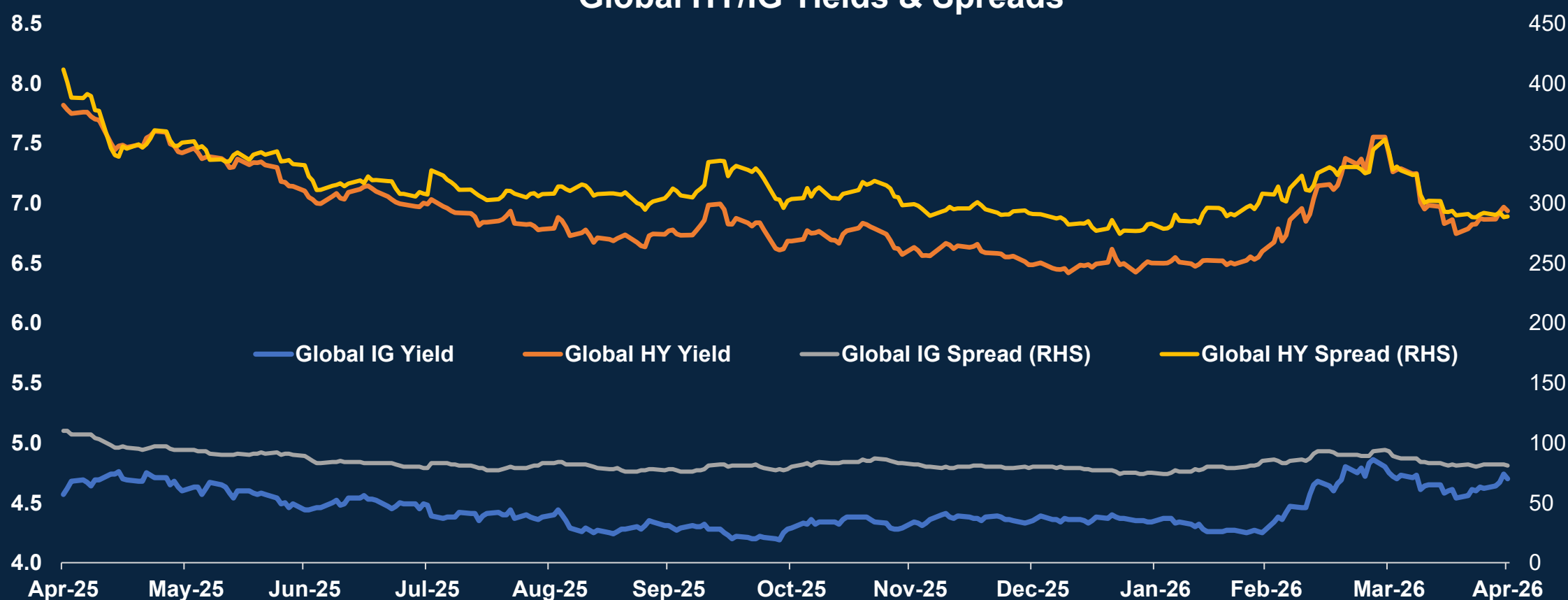
AI-focused issuers led primary volumes in IG and HY

PERFORMANCE SNAPSHOT USD Hedged

	1M	3M	YTD	12M
US High Yield	+1.69%	+0.68%	+1.19%	+8.84%
Euro High Yield	+2.00%	+0.08%	+0.92%	+6.84%
US IG Corporate	+0.45%	-0.26%	-0.09%	+5.29%
EUR IG Corporate	+0.94%	-0.81%	-0.06%	+1.97%
GBP IG Corporate	+0.24%	-1.99%	-1.76%	+3.51%
Banks AT1	+2.69%	+0.36%	+1.58%	+11.52%
Leveraged Loans	+1.15%	+0.99%	+0.37%	+6.64%
Corporate Hybrids	+1.27%	-0.56%	+0.42%	+6.68%
EM USD	+2.11%	+0.37%	+0.74%	+9.43%
US BB	+1.45%	+0.62%	+1.16%	+8.52%
US B	+1.80%	+0.68%	+1.15%	+8.88%
US CCC	+2.88%	+1.27%	+1.59%	+11.32%

YIELD & SPREAD TRENDS

Global HY/IG Yields & Spreads



Source: Bloomberg, as at 30/04/26

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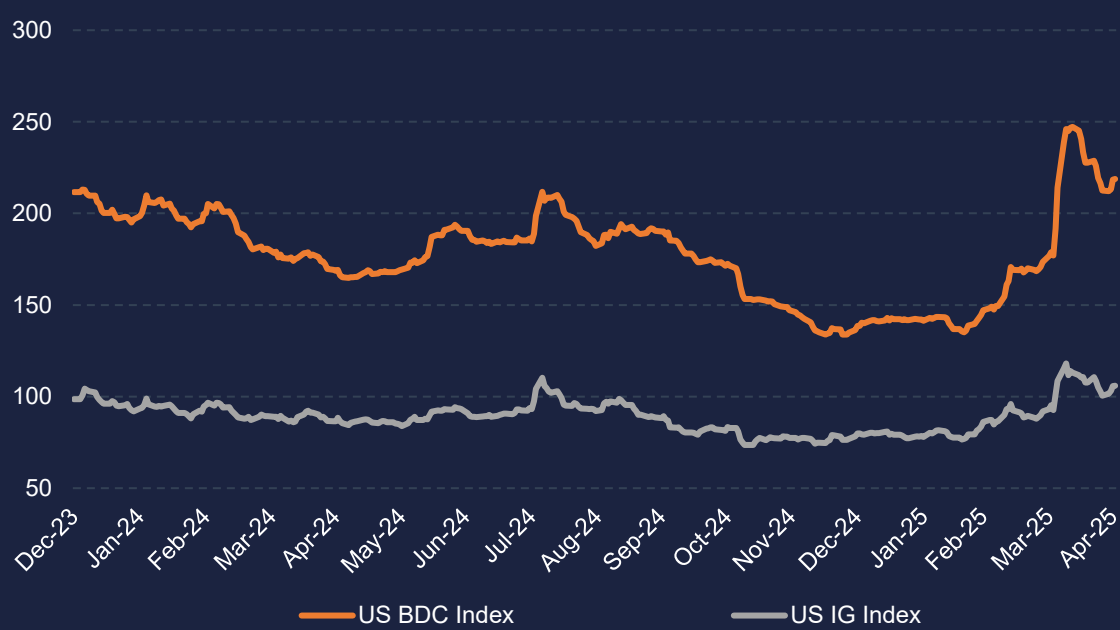
Credit Markets: Risk Assets Rebounded in April

Equity and credit markets rebounded after two consecutive negative months in April. US high yield led among major asset classes, with CCCs posting their best monthly return since September 2024, more than reversing the losses of the prior two months. BB-rated US debt now trades near its tightest spread to BBB in a year, and well inside the 10-year average.

Pressure eased on BDCs

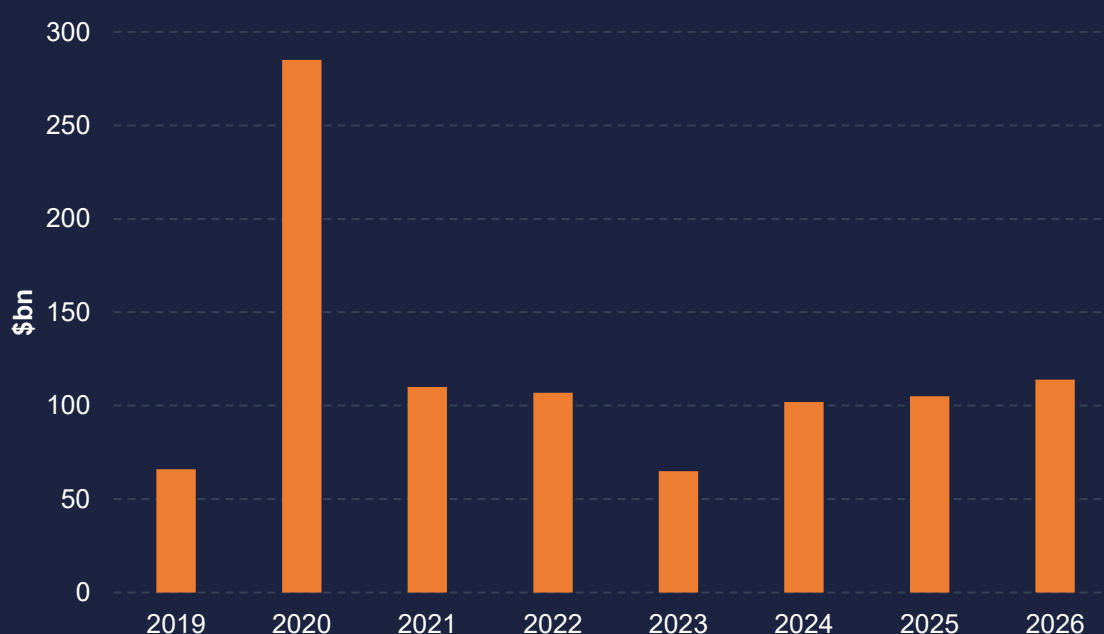
Private credit firms were among the clearest beneficiaries, BDCs in particular. Blackstone Private Credit Fund (BCRED) raised \$850m in the bond market, following a \$400m offering from Blue Owl Capital. This was the first BDC bond sale since concerns about AI disruption to software companies had shut BDCs out of the market — a meaningful vulnerability given the sector's significant exposure to software. Confirmation of capital market access eased investor concerns and BDC spreads tightened relative to the broader market. In the Blue Owl transaction, PIMCO purchased the entire offering.

US BDC Spreads Rebounded from Wides



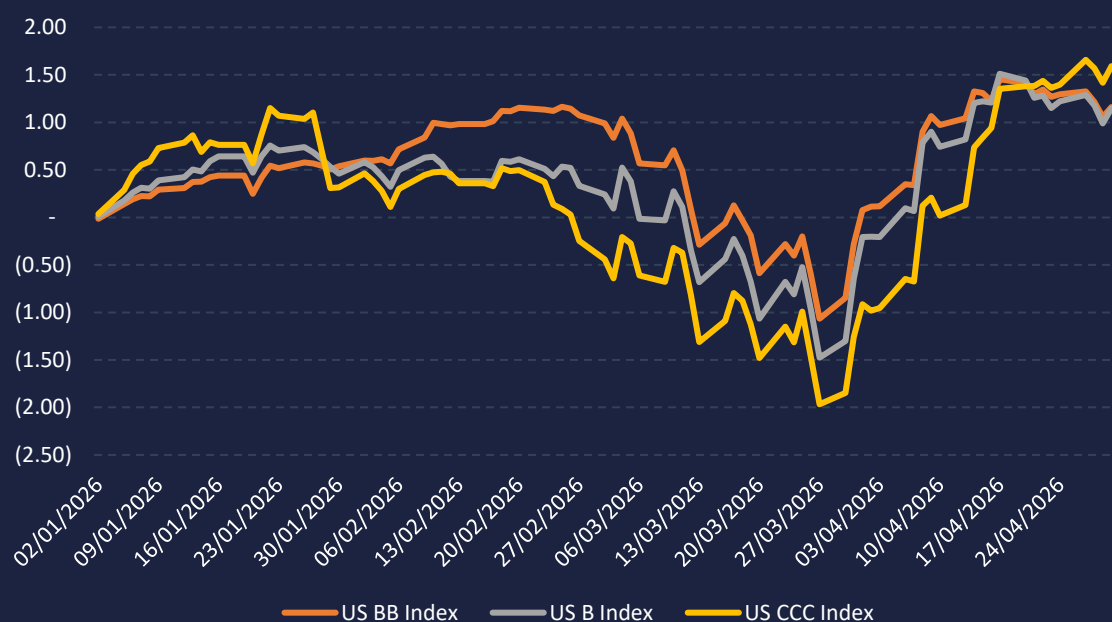
Source: Bloomberg, as at 30/04/26

April US IG Supply



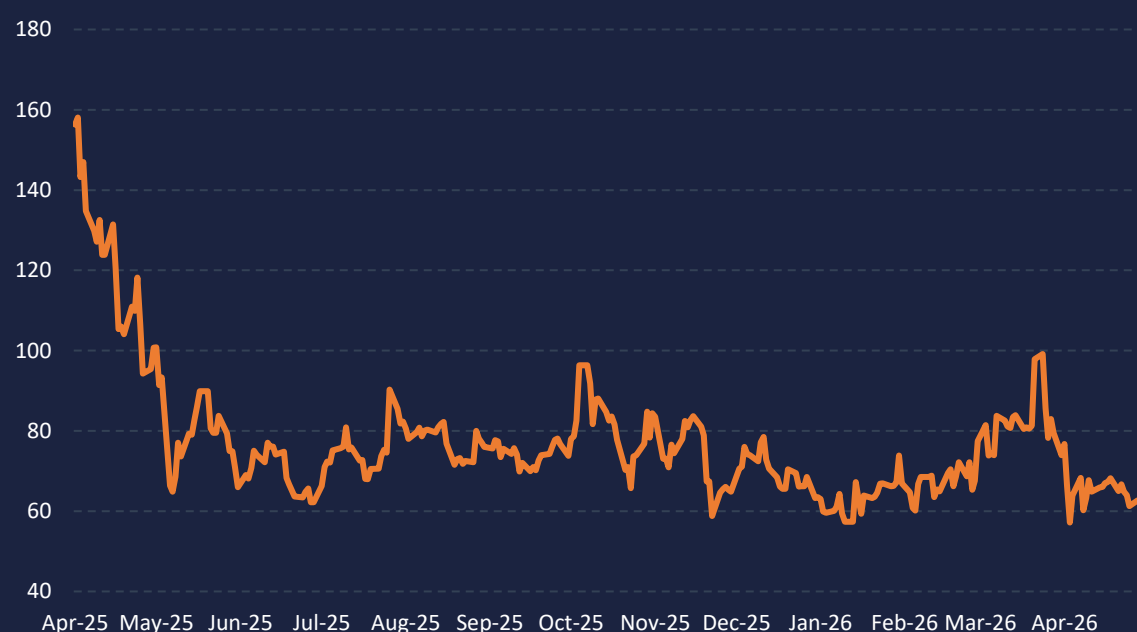
Source: Bloomberg, as at 30/04/26

US HY Returns Have Been Volatile



Source: Bloomberg, as at 30/04/26

US BB Trading Tight to BBB



Source: Bloomberg, as at 30/04/26

Primary Markets: AI-Driven Supply Surged

Primary issuance flooded both IG and HY markets in April, following a ceasefire announcement in the Middle East with AI-driven supply being a notable component. This came despite growing unease over the sector's fundamentals. A report revealing that OpenAI had missed its internal targets for revenue and new user acquisition hit sentiment hard.

Nonetheless Meta attracted order books of around \$96bn for a 6-tranche, \$25bn deal, its second jumbo offering in six months following the company's \$30bn raise in October 2025. BB-rated Fleet Data Centers, backed by Tract Capital, raised nearly \$5bn at 6.739% to fund part of the development of a 200 MW critical IT load data centre and substation on a 517-acre site in Storey County, Nevada. The deal followed the entity's \$3.8bn issuance in February, which priced at 5.875%.