

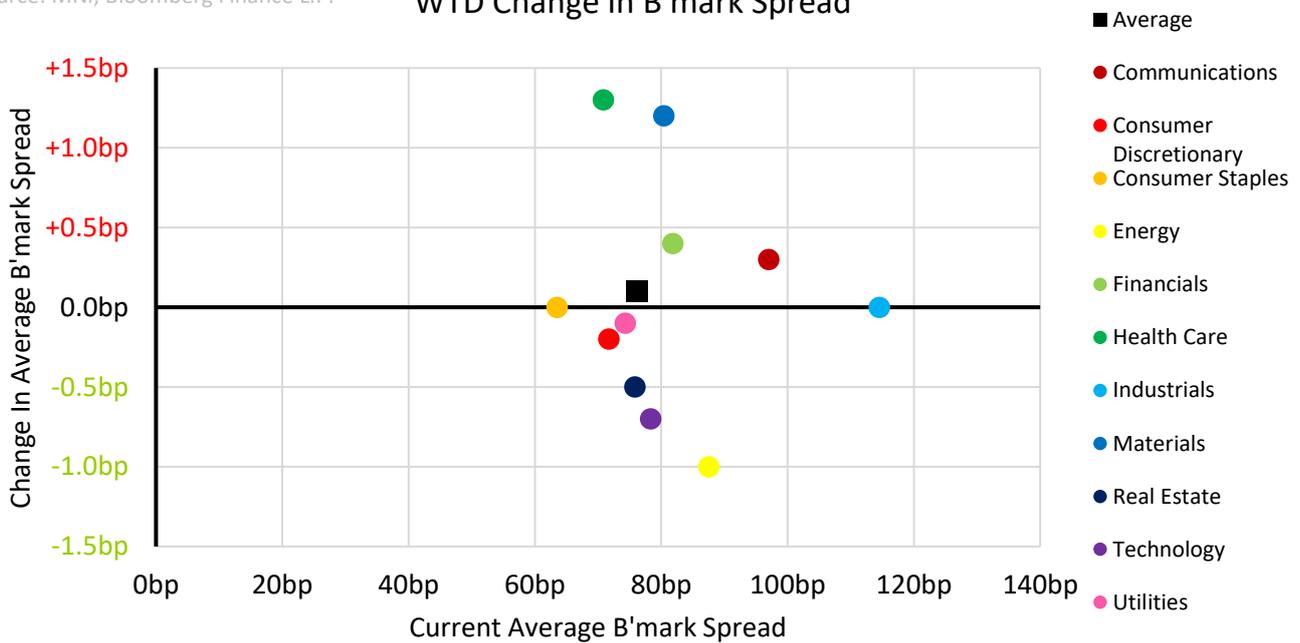
MNI US Credit Weekly - 30 January 2026

Executive Summary:

- **Spreads** finished the week on average flat at ~76bps with modest strength in Tech and Energy while Healthcare was weak on CMS headlines. The January supply deluge continued this week with jumbo deals from AT&T, IBM, JPM and MS which brought January supply above \$200bn and marked the 5th largest supply month ever. February doesn't appear to be giving any breathing room with sell-side desks calling for \$185bn-\$200bn in supply.
- **Macro** this week saw a hawkish shift in Fed leadership and a steady FOMC, supporting the USD as metals pulled back from highs. Meanwhile, the ECB and BoE are expected to remain cautious.
- **Fund flows** increased in IG and in HY. In equities, US flows turned positive this week after significant outflows last week.
- **Supply** was significant with this week's deluge bringing January 2026 to the 5th busiest month on record. Even with the supply binge, overall secondary spreads held in relatively well.

Source: MNI, Bloomberg Finance L.P.

WTD Change In B'mark Spread



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Developed Markets and Policy Summary

Kevin Warsh won the race to become the next Fed Chair, ending months of speculation. Financial markets deemed him to be the most hawkish of the 4 main contenders for the role, with some of his more recent view tweaks seen as a way to garner favour with President Trump. Ultimately, there is elevated uncertainty as to what Fed policy will look like under his leadership.

This provided support for the USD (after the BBDXY registered fresh multi-year lows earlier in the week) and pushed gold and silver more than 10% away from fresh all-time highs, albeit with both precious metals still registering impressive year-to-date gains.

USD front end pricing has moved back to ~50bp of rate cuts through year-end after testing the 40bp marker last week, with the next 25bp step fully priced through July and 80% discounted through June.

In the midst of the swings in markets, the latest FOMC decision saw the central bank tread a largely neutral path, maintaining an easing bias but sounding slightly more patient in making its next move than it did last month. There was a modest hawkish reaction in markets, but plenty of desks maintain their calls for a March cut, despite only 4bp of easing priced over that horizon.

In Europe, the ECB is expected to hold its three key interest rates steady on Thursday, while retaining its familiar data-dependent and meeting-by-meeting approach. The deposit rate has been at 2.00% since June 2025, remaining within the ECB's long-term neutral range estimate of 1.75-2.25%.

There has been a mix of slightly dovish and slightly hawkish developments in January, which should guard against President Lagarde sending too strong a signal in either direction at the press conference.

Overall, the Governing Council is likely to continue to assert that it is in a "good place", albeit remaining very attentive to incoming developments. Markets price around 6.5bps of easing through September 2026, but we will likely need to see a string of dovish data surprises for another rate cut to become the base case. Note that comments on the single [currency](#) may also feature in the post-meeting communique.

Gilts and the GBP front initially extended on the hawkish repricing seen late last week, before stabilising as gilt futures based around a pre-existing key support level. The market then moved backwards pricing 1.5x 25bp rate cuts for the remainder of the cycle, while the broader gilt curve finished the week steeper and the '25 closing high capping moves in 2s10s.

While no change in Bank Rate is expected at next week's monetary policy decision, the vote split and communique provided by each MPC member will generate plenty of interest, particularly after the firm inflation component outcomes in the flash PMIs (although the Bank's own surveys present more meaningful policy inputs).

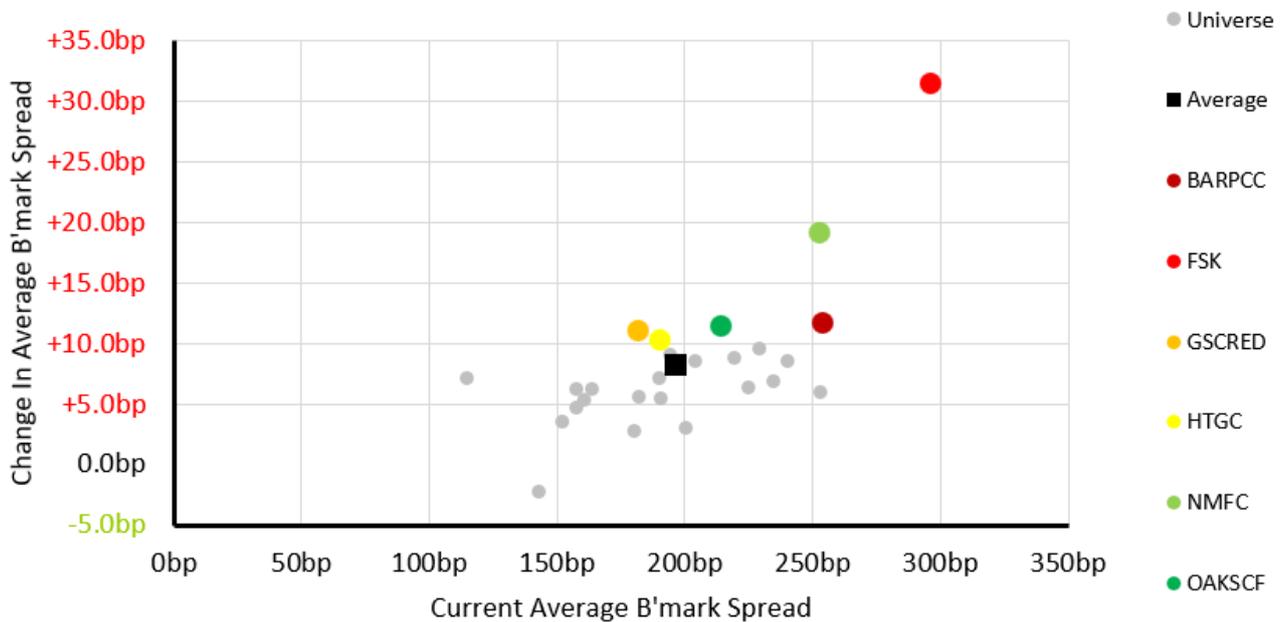
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Financials - US IG BDCs and Alternative Investment Mngrs Week in Review

- The BDC sector underperformed the broader market this week. BDC bonds WTD widened on average by 8.2bps vs the broader index which widened by 0.5bps. Among IG issuers, TSLX was the best performer WTD (-2bps) and FSK was the weakest, widening by as much as 31bps. We had one Friday issue this week (BARPCC) and got strong results from BX. The month ended with north of \$5b in issuance from all BDCs and, market conditions permitting, we expect this trend to continue into February. BDCs start reporting Q4'25 results next week.
- Barings Private Credit (BARPCC) issued \$350m of 3Y notes at +240 off an initial price talk of +255.
- Results from Blackstone (BX) showed steady growth in AUM with credit products growing the fastest. Results beat BBG consensus.

Source: MNI, Bloomberg Finance L.P.

WTD Change In B'mark Spread



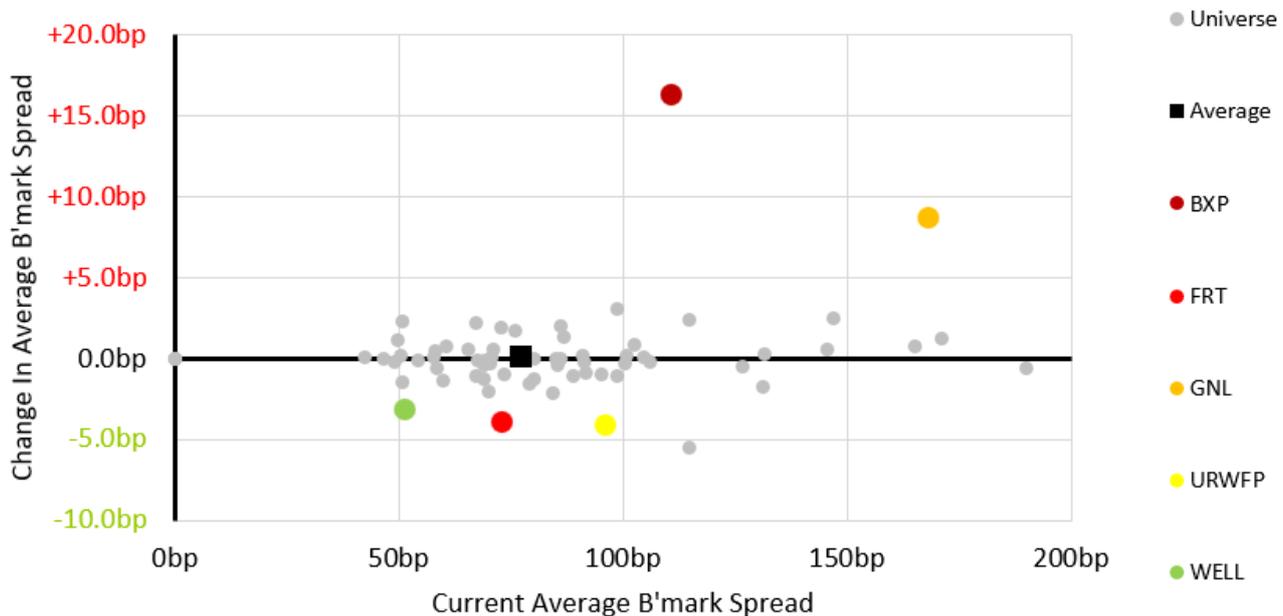
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Financials – REITs Week in Review

- REIT sector spreads were fairly stable this week only widening by 0.1bps, slightly better than the 0.5bps widening in the overall IG market. BXP and GNL widened the most and FRT and URWFP (WEA) were the top performers. ARE reported mixed results and then later in the week announced a tender offer of their lower dollar priced long dated bonds. BXP reported Q4'25 results that missed on profits. SKT (Tanger) was upgraded by S&P. Earnings season continues next week with SPG, AVB, CPT, and CDP, among others reporting.
- ARE Q4'25 results beat BBG consensus but forecasting continued weakness in occupancy. ARE announced a \$800m tender offer later in the week for three of its long-dated bonds with lower dollar prices.
- BXP Q4'25 results showed that office building recovery continues to be inconsistent. They missed on profits and gave tepid guidance.
- SKT was upgraded by S&P one notch to BBB based on its strong operating metrics and healthy balance sheet.

Source: MNI, Bloomberg Finance L.P.

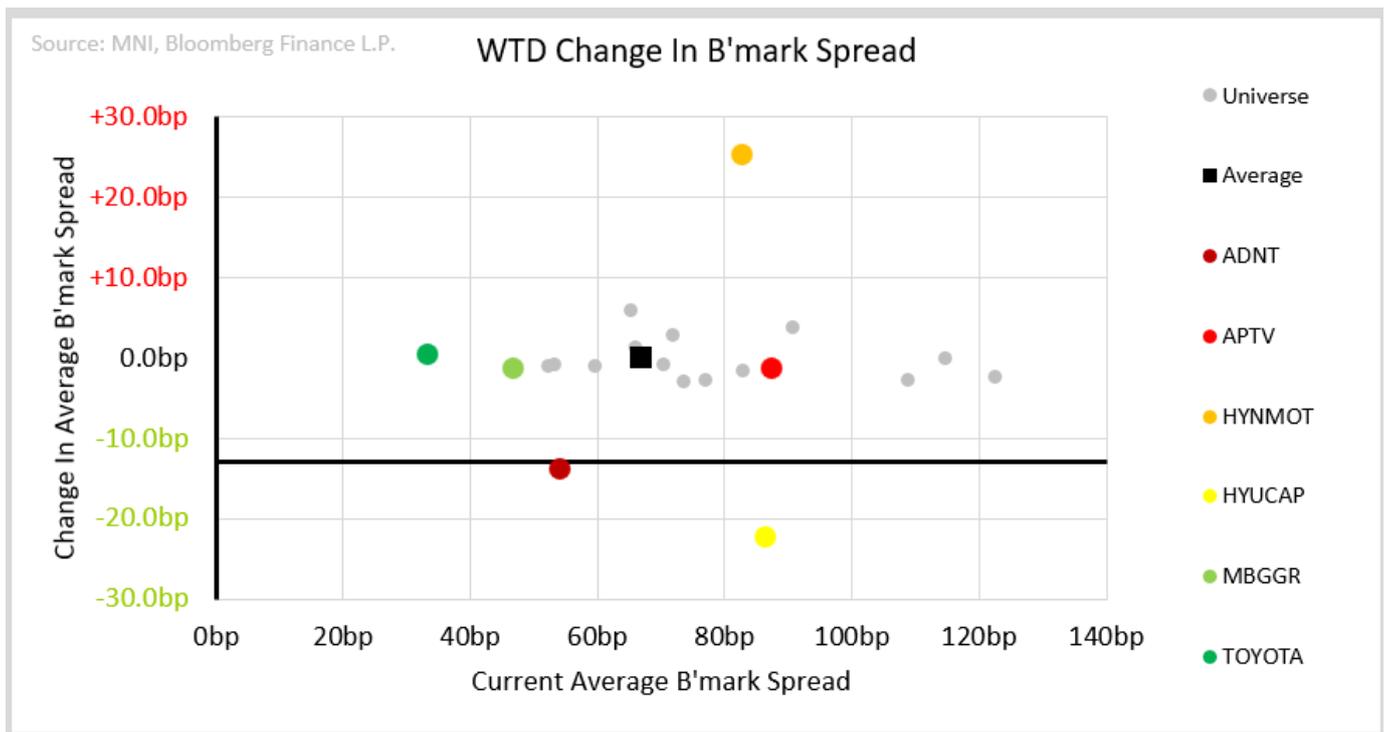
WTD Change In B'mark Spread



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Autos: Week in Review

- The Auto sector traded slightly better than the broader market this past week. The average spread in the sector was wider only by 0.1bps which was better than the 0.5bps widening by the broader index. GM kicked off earnings for autos with positive results. Paccar also reported and surprised with a weaker than expected outlook. PCAR also brought a deal which was upsized. LKQ continues to react to shareholder activists and lackluster performance. We get January SAAR next week with estimates coming in at 15.40m (Wards), below December's 16.02m and last January's 15.60m
- GM Q4'25 results continued to show a slow down on the topline. But margins continued to expand and FY26 guidance was positive.
- Paccar Q4'25 results were better than consensus but showed ongoing weakness in heavy trucks globally. Outlook was muted.
- Paccar brought a 3Y deal at +30bps that was upsized from \$300 to \$400m and came 5bps wide to our fair value.
- LKQ initiated a strategic review which could include a sale of the entire company. Bonds widened by as much as 38bps as there was no indication of the type of buyers or if only portions of the company will be sold.



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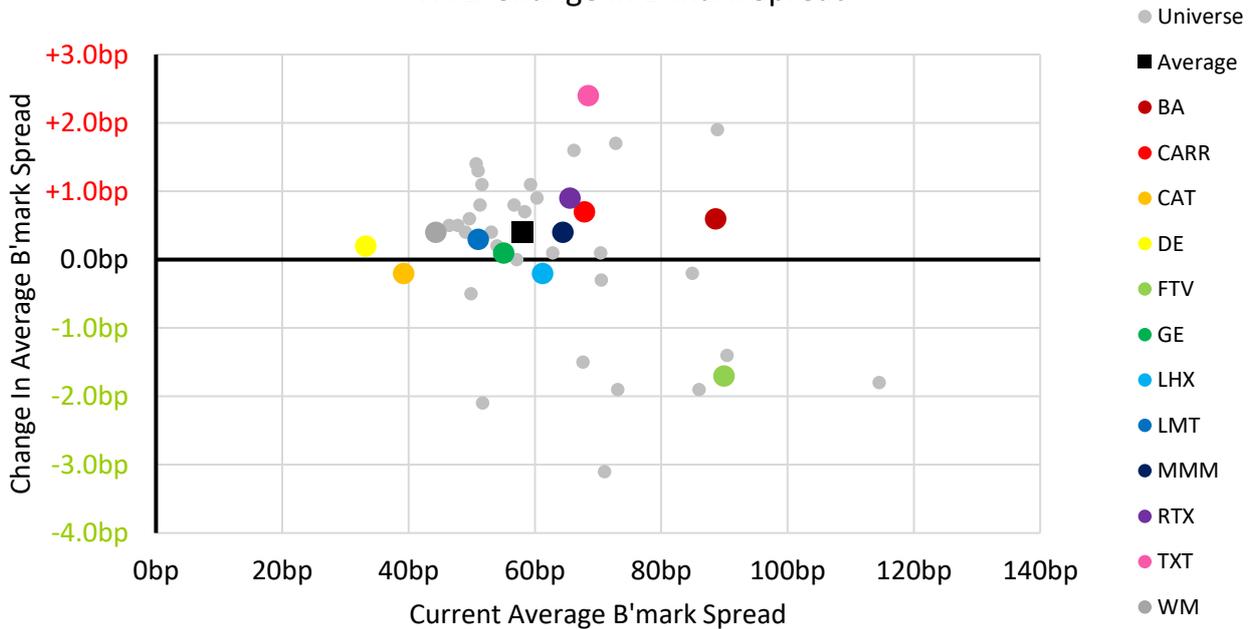
Industrials: Week in Review

Industrial spreads were broadly in-line with the IG index as earnings for the group kicked into high-gear. Overall we saw solid results out of the Aerospace/Defense group as continued US spending bolsters these names and outlooks appear strong for FY26. Boeing continues its recovery with another quarter of positive free cash flow and solid deliveries. FedEx’s Freight subsidiary tapped the market to fund the upcoming spin of the business but secondary spreads were a bit weak as the name finds its footing in the market.

- **Eaton:** Eaton officially [announced](#) the spin-off of its Automotive/Mobility Group as the Company focuses on higher-growth Electrical and AI-related segments.
- **TE Connectivity:** TEL [issued](#) 5s/10s to refinance upcoming maturities.
- **Boeing:** BA [reported](#) solid 4Q25 results with positive free cash flow and a good outlook for FY26.
- **FedEx:** FedEx Freight [launched](#) their inaugural USD issuance to fund the upcoming spin-off.
- **Amphenol:** APH [reported](#) 4Q25 earnings that were good but the stock was down sharply on a 1Q26 outlook that was possibly not “good enough”.

Source: MNI, Bloomberg Finance L.P.

WTD Change In B'mark Spread



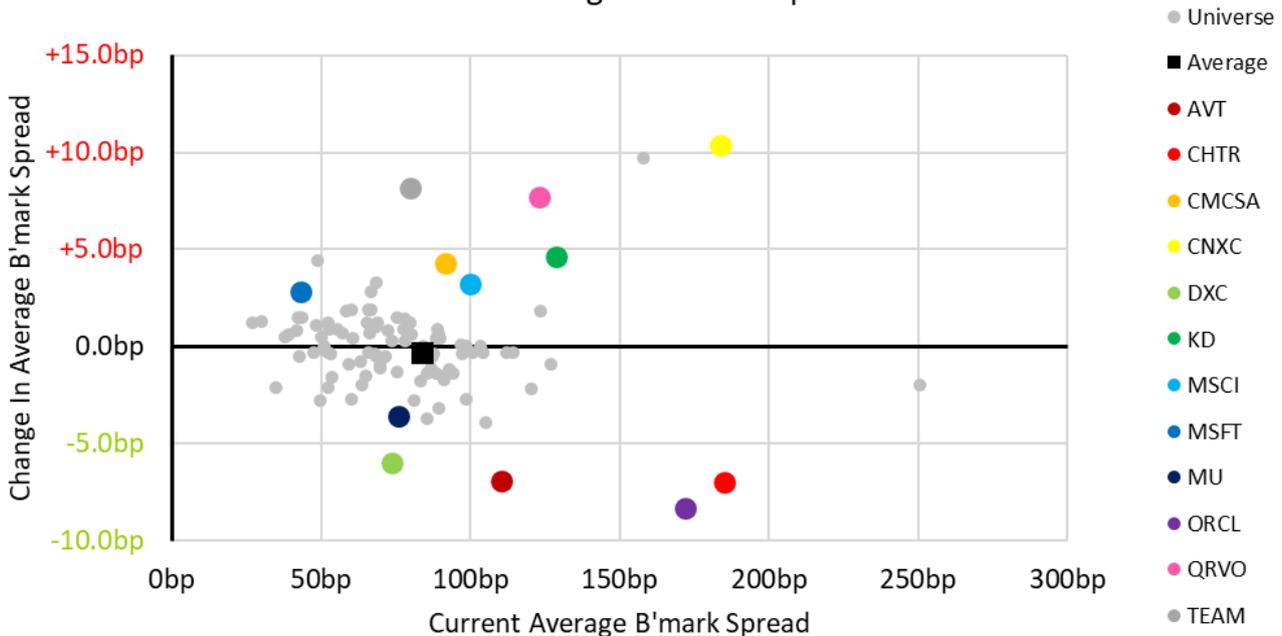
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TMT: Week In Review

- Spreads slightly underperformed the corporate benchmark at 3bps wider on the week.
- Outperformers at the 10Y included CHTR (-14bps), ORCL (-12), LDOS (-5), WBD (-4), and MU (-3) and underperformers included CNXC (+23), BAH (+14), TEAM (+11), KD (+9) and ADSK (+6).
- **Leidos** announced its \$2.4B leveraging acquisition of Entrust and the agencies noted that ratings were unaffected.
- The U.S. Secretary of Treasury cancelled all contracts with **BAH** (\$21M), reigniting fears of further contract cuts.
- Moody's revised **SNPS'** outlook to positive on expanding FCF and accelerated debt repayment.
- Moody's revised **IBM's** outlook to stable from negative on expectations of strong EBITDA growth and FCF.
- **Charter** lowered its post-Cox leverage target to 3.5-3.75x from 3.5-4.0x.
- **Verizon** and **AT&T** reported solid KPIs in the quarter, but capital allocation increasingly favored shareholder returns in lieu of deleveraging timelines.
- **Meta's** results were well ahead of estimates, and an expected 79% YoY increase in capex points to debt issuance as the company anticipates moving to a positive net debt position.
- **IBM** priced a new issue wide of our fair value and saw modest tightening while T brought a deal at our fair value.

Source: MNI, Bloomberg Finance L.P.

WTD Change In B'mark Spread



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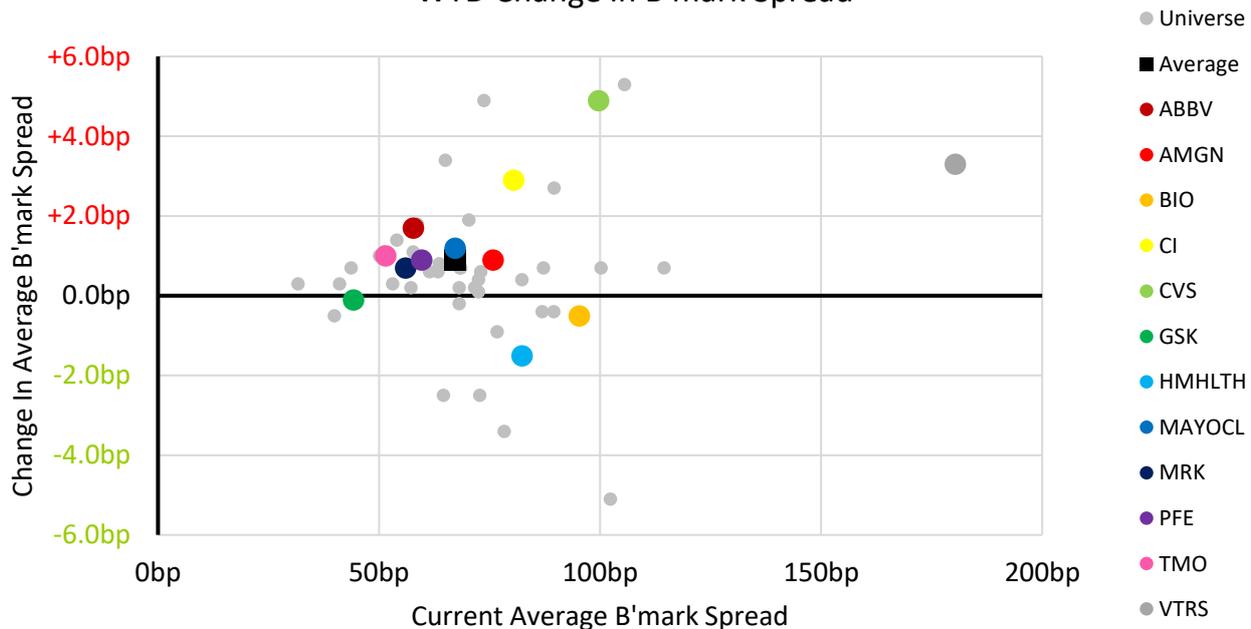
Healthcare: Week in Review

Healthcare spreads underperformed the IG Index this week at ~1.5bps wider on average vs. the IG Index at 0.5bps wider. The minor underperformance is likely related to the weakness seen in US Health Insurers after CMS' recent proposal to only increase Medicare rates by 0.09% in 2027. UNH, CVS, ELV, HUM and CNC stocks were all down double digits on the news with spreads particularly weak in CNC and HUM (both double-digits wider).

- **UnitedHealth:** UNH reported 4Q25 [earnings](#) but this was overshadowed by the recent US proposal to only increase Medicare rates in 2027 by 0.09%. UNH stock was down ~16% as a result.
- **HCA Healthcare:** HCA reported solid 4Q25 [earnings](#) with a FY26 outlook modestly ahead of estimates.
- **Elevance Health:** ELV reported 4Q25 [earnings](#) that were impacted by continued high medical cost trends and provided a weak 2026 outlook. ELV stock also saw pressure like UNH as a result of the CMS Medicare proposal.
- **Teva Pharma:** Teva also reported 4Q25 [results](#) that showed continued revenue growth and solid de-leveraging with Teva re-affirming their 2027 desire to get net leverage below 2.0x.

Source: MNI, Bloomberg Finance L.P.

WTD Change In B'mark Spread



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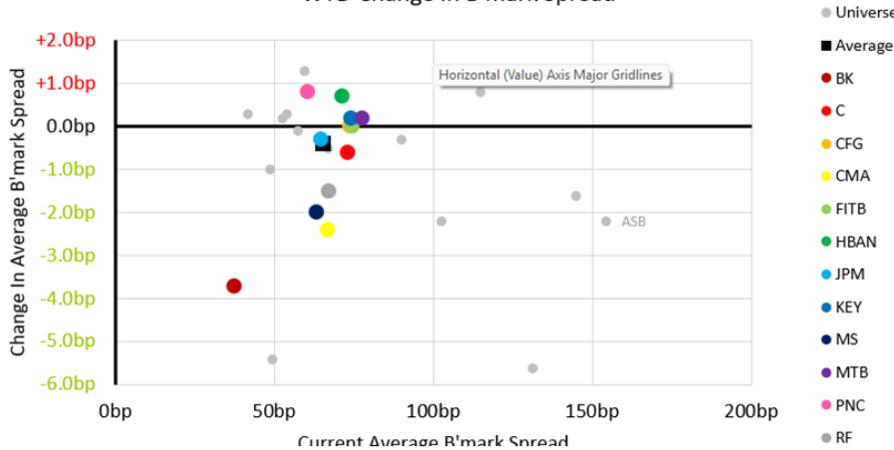
Banks: Week in Review

Bank Sr spreads and Sub spreads were fairly rangebound this week, after tightening the prior 2 weeks, with average spreads moving less than 1bps, ending the week at ~65.5 and ~105. Following COF last week, card companies Synchrony, Mastercard, and American Express reported 4Q this week, with results reflecting healthy credit quality while spending growth continues strong at higher incomes and modest among moderate income (AXP's 8% growth vs SYF's 3%). Primary market saw Subordinate issues from GS and JPM, Sr Unsecured from COF and FITB, and an opco issue from MS. While overall spreads are compressed, we see relative value at select points on curve/structure.

Bank Sr spreads:

Source: MNI, Bloomberg Finance L.P.

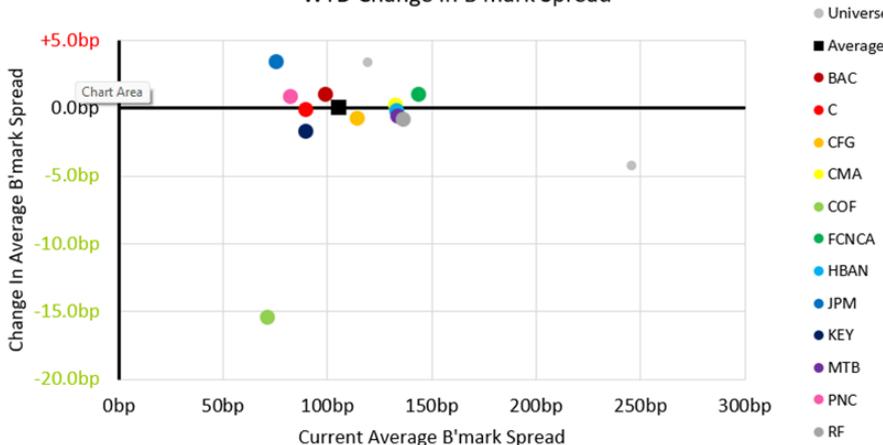
WTD Change In B'mark Spread



Bank Sub spreads:

Source: MNI, Bloomberg Finance L.P.

WTD Change In B'mark Spread



Regional Bank earnings

- [American Express 4Q25](#). Credit neutral. Despite slight EPS miss, its 4Q25 reflects continued strong member spend and credit quality, and its FY25A and FY26 outlook hit LT growth targets. Steady performance reflected in tight spreads, however, with 10Y sr and sub trading slightly inside JPM.

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- [Synchrony 4Q25](#). Credit neutral. NII and NIM expansion and asset quality improvement on more disciplined underwriting, while expenses up more than expected, though ROTCE remains strong.
- [Mastercard 4Q25](#). Credit neutral. Payments network fees continue to benefit from rising spend, as op expenses also rise, though this will be tempered by staff reduction plan.

Issuance highlights

- [GS 41NC36](#) Subs came inline to our FV
- [Fifth Third](#) 32s, 37s Sr Unsec came inside our FV
- [Old National](#) 10NC5 Sub came wide to our FV
- [JPM 11NC10 subs](#) came with some concession to secondaries
- [Capital One](#) 31s, 27s priced close to secondaries
- [Morgan Stanley 11NC10](#) subs priced with some concession to secondaries

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Recent Ratings Actions

Ratings Actions - US Investment-Grade last 7 days

5 positive / 3 negative

Company Name	Date	Rating Type	Agency	Curr Rtg	Last Rtg
Calpine Corp	01/25/2026	Senior Secured Debt	Moody's	A3	Ba2
Clorox Co/The	01/26/2026	LT Local Issuer Credit	S&P	BBB+ *-	BBB+
Frontier Communications Holdings L	01/23/2026	Senior Secured Debt	Moody's	Baa3	B2 *+
SES AMERICOM Inc	01/26/2026	Senior Unsecured Debt	Fitch	BBB-	BBB
Tanger Inc	01/28/2026	LT Local Issuer Credit	S&P	BBB	BBB-
Tanger Properties LP	01/28/2026	LT Local Issuer Credit	S&P	BBB	BBB-
William Penn Life Insurance Co of Ne	01/27/2026	LT Local Issuer Credit	S&P	A	A+ *-
WW Grainger Inc	01/27/2026	Senior Unsecured Debt	Moody's	A1	A2

Source: MNI, Bloomberg Finance L.P.

Fund Flows

For the week ended Wednesday:

- Credit flows firmed up; USD IG/HY saw \$3.0bn/\$1.0bn of inflows while EUR IG/HY saw \$0.6bn/flat inflow. USD Agg funds held firm on \$5.5bn of inflows while USD loans saw mild \$0.5bn inflow.
- USD Govt inflows receded to a \$0.7bn inflow while EUR stayed on outflows of \$0.3bn.
- Volatility in US equity flows continued with a \$9bn inflow this week (after \$17bn outflow last week). Chinese equities saw sizeable \$60bn outflow (after \$49bn outflow last week) - again its largest on record. European equities finally ended inflows with a small \$0.4bn outflow.
- Sources: TD, citing EPFR data; Bloomberg, citing BofA/EPFR.

USD IG Primary Tracker

- Another busy week with \$37bn issued which brings the monthly supply to \$208bn.
- \$37bn priced with a heavy skew towards Financials (60%) versus 40% towards Corps/Industrials.
- Books held up well; we see 3.9x average cover (YTD: 4.1x).

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Source: MNI, Bloomberg Finance LP Deal Information								Pricing (bp)					Recent	vs. Final	
FX	Sector	CoR	Ticker	Issuer	Rank	Tenor	CPN	Amt (mn)	MNI FV	IPT	Final	vs. IPT	vs. FV	Trade Level	Px
USD	Financial	US	JPM	JPMORGAN CHASE & CO	Subordinated	11-NC10	5.19%	3,000	92	123	97	-25.5	5	NA	NA
USD	Consumer, Cyclic	US	PCAR	PACCAR FINANCIAL CORP	Sr Unsecured		3 3.90%	400	25	55	30	-25	5	NA	NA
USD	Financial	US	COF	CAPITAL ONE FINANCIAL CO	Sr Unsecured	6-NC5	4.72%	1,500	91	118	92	-25.5	1	NA	NA
USD	Financial	US	COF	CAPITAL ONE FINANCIAL CO	Sr Unsecured	11-NC10	5.40%	1,500	118	143	117	-25.5	-1	NA	NA
USD	Financial	US	MS	MORGAN STANLEY PVT BANK	Sr Unsecured	4-NC3	4.21%	2,500	58	80	60	-20	2	NA	NA
USD	Financial	US	MS	MORGAN STANLEY PVT BANK	Sr Unsecured	4-NC3	4.43%	500		NA	77	NA	NA	NA	NA
USD	Financial	US	MS	MORGAN STANLEY	Sr Unsecured	11-NC10	5.07%	4,000	81	105	85	-20	4	NA	NA
USD	Communications	US	T	AT&T INC	Sr Unsecured		5 NA	1,500	60	90	60	-30	0	NA	NA
USD	Communications	US	T	AT&T INC	Sr Unsecured		7 NA	1,250	77	105	75	-30	-2	NA	NA
USD	Communications	US	T	AT&T INC	Sr Unsecured		10 NA	1,250	87	115	90	-25	3	NA	NA
USD	Communications	US	T	AT&T INC	Sr Unsecured		20 NA	850	105	133	105	-27.5	0	NA	NA
USD	Communications	US	T	AT&T INC	Sr Unsecured		30 NA	1,650	115	143	115	-27.5	0	NA	NA
USD	Technology	US	IBM	IBM CORP	Sr Unsecured		3 4.00%	500	37	65	40	-25	3	NA	NA
USD	Technology	US	IBM	IBM CORP	Sr Unsecured		5 4.30%	500	47	75	53	-22	6	NA	NA
USD	Technology	US	IBM	IBM CORP	Sr Unsecured		7 4.60%	500	60	87.5	62.5	-25	2.5	NA	NA
USD	Technology	US	IBM	IBM CORP	Sr Unsecured		10 4.95%	1,000	72	100	75	-25	3	NA	NA
USD	Technology	US	IBM	IBM CORP	Sr Unsecured		30 5.80%	750	92	123	95	-27.5	3	NA	NA
USD	Financial	CA	RY	ROYAL BANK OF CANADA	Jr Subordinated	60-NC7	6.50%	1,000	6.375	6.69	6.5	-0.19	0.125	247	240.5
USD	Financial	AU	MQGAU	MACQUARIE BANK LTD	Sr Unsecured		2 3.92%	850		60	48	-12	NA	30	-18
USD	Financial	AU	MQGAU	MACQUARIE BANK LTD	Sr Unsecured		2 4.14%	850		NA	35	NA	NA	NA	NA
USD	Financial	US	PACLIF	PACIFIC LIFE GF II	Secured		5 4.38%	600	64	80	58	-22	-6	54	-4
USD	Industrial	US	FDX	FEDEX FREIGHT HOLDING CO	Sr Unsecured		3 4.30%	1,000	65	100	70	-30	5	89	19
USD	Industrial	US	FDX	FEDEX FREIGHT HOLDING CO	Sr Unsecured		5 4.65%	1,000	80	115	85	-30	5	83	-2
USD	Industrial	US	FDX	FEDEX FREIGHT HOLDING CO	Sr Unsecured		7 4.95%	700	95	130	97	-33	2	94	-3
USD	Industrial	US	FDX	FEDEX FREIGHT HOLDING CO	Sr Unsecured		10 5.25%	1,000	110	140	107	-33	-3	99	-8
USD	Financial	US	GS	GOLDMAN SACHS GROUP INC	Subordinated	15-NC10	5.39%	2,500	118	140	118	-22	0	123	5
USD	Financial	US	FITB	FIFTH THIRD BANCORP	Sr Unsecured	6-NC5	4.57%	1,000	80	103	75	-27.5	-5	75	0
USD	Financial	US	FITB	FIFTH THIRD BANCORP	Sr Unsecured	11NC10	5.14%	1,000	104	103	93	-9.5	-11	94	1
USD	Industrial	CH	TEL	TYCO ELECTRONICS GROUP S	Sr Unsecured	Long 5	4.50%	650	48	108	83	-24.5	35	48	-35
USD	Industrial	CH	TEL	TYCO ELECTRONICS GROUP S	Sr Unsecured		10 4.88%	550	68	95	70	-25	2	67	-3
USD	Financial	US	ONB	OLD NATL BANCORP	Subordinated	10-NC5	5.77%	450	175	230	195	-35	20	187	-8
USD	Financial	US	NYLIFE	NEW YORK LIFE GLOBAL FDG	Secured		3 4.05%	700	49	60	40	-20	-9	39	-1