

High Yield & Loan Strategy

LevFin technicals to soften amid higher M&A, lower demand in 2026

Jobs>Tariffs

HY whiplashed this week, first selling off in sympathy with concerns around AI-overinvestment, then partially retracing on a positive ADP payroll print, only to reverse course again on Challenger job cuts. Rates rallied as labor market concerns overshadowed the possible growth boost from a potential reversal in IEEPA tariffs after yesterday's Supreme Court showdown. At ~315bps, we are closer to fair value.

HY issuance set to rise +13% on refi jump

We forecast a +13% increase in HY issuance to \$360bn, driven by a 25% jump in refinancings and increasing AI-capex, while traditional new money supply stays flat. Near-term HY maturities have seen marked increase which in conjunction with lower rates should spur a refi wave. We also expect AI-adjacent capex to rise to \$20bn amongst HY issuers next year.

HY net supply 14% higher

Despite higher refinancings, we expect calls and tenders to remain flat, leading HY net supply 14% higher from today's low levels. In conjunction with flat coupons and smaller retail inflows, we think HY technicals will soften next year.

Loan supply -5% on higher M&A but lower refies

We expect loan refies to decrease 20% on falling maturities, which should offset a potential increase in M&A and LBO activity driven by deregulation and lower rates. Overall, this should lead loan supply marginally lower. Strategic M&A is likely to play a dominant role with a growth of +20% YoY, while LBOs/Dividends grow at a smaller pace. Repricings should decline meaningfully from this year's elevated levels helped by decreasing share of par+ loans and a smaller repriceable universe.

Lower carry and retail outflows to weigh on loan demand

The combination of improving loan new money supply and maturity-driven resets sets the stage for a more active CLO market in 2026, even if net supply remains modest. That said, retail flows and lower carry present demand headwinds which should lead demand ex supply to neutral territory after staying at elevated levels since '23.

HY and Loan Weekly Recap

HY widened 37bps on a hawkish Fed and heavy AI supply, before retracing 8bp yday to 305bp. TR is -0.28% WTD, w/ CCCs lagging (-0.51%, 2x BBs/Bs). Heavy calendar didn't help w/ \$7.7bn priced and \$2.8bn still in the pipeline. Outflows persisted but slowed (-\$0.2bn). Secondary demand is supportive this week (\$5bn calls/mtly, \$3bn coupons) but softer next week (\$12bn calls/mtly, no coupons). Loan TR is flat WTD (0.02%), with income offset by -0.1pt drop in price. CCCs sold off -0.5pts WTD, marking a fifth straight week of decline. Technicals remained strong with \$5bn demand net supply this week, supported by strong CLO creation (\$3bn) and coupons (\$2.7bn), amid light new issuance (\$2.3bn). Two new defaults totaled \$1.9bn: Services issuer PCKHLD (\$1.2bn) and Packaging/Paper issuer KPERST. Despite defaults, LTM Loan DR edged lower (3.8% by par, 3.9% by issuer).

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Refer to important disclosures on page 31 to 33.

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Macro concerns outweigh potential growth boost from tariff reversal

HY whiplashed this week, first selling off in sympathy with concerns around AI-overinvestment, then partially retracing mid-week on a positive ADP payroll print, only to reverse course again on the Challenger report showing Oct job cuts were the highest in a year. Rates rallied as labor market concerns overshadowed the possible growth boost from a potential reversal in IEEPA tariffs after yesterday's Supreme Court showdown. All told, spreads are higher on the week by ~20bps, with the 5yr flat WoW. At ~315bps, we are now closer to fair value. Underperformance is being led by Chemicals and Packaging, hit on both ends by prospective tariff reversal as well as rising macro concerns.

Exhibit 1: Post Liberation Day HY Sector PX returns

Healthcare has been the best performer post Liberation Day with +4.7% price return, while Packaging/Paper lagged with -3.3%.

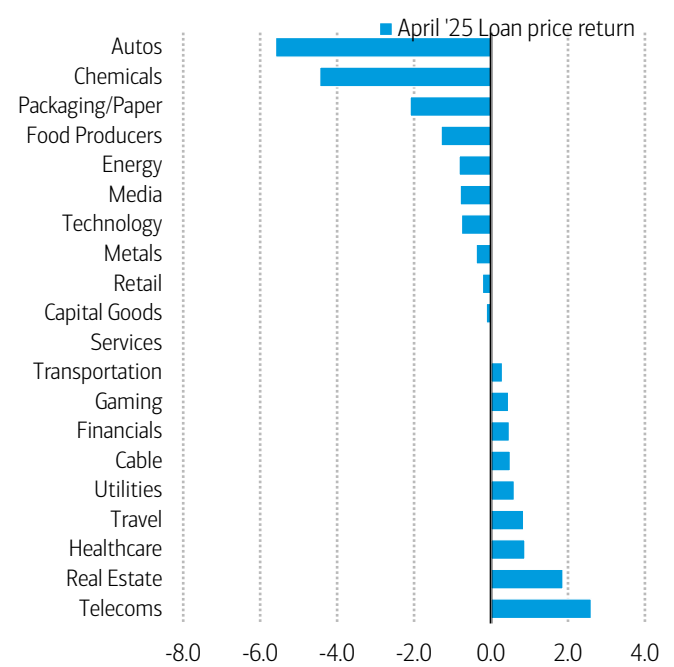


Source: BofA Global Research, ICE Data Indices, LLC

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Exhibit 2: Post Liberation Day Loan Sector PX returns

Telecoms has been the best performer post Liberation Day with +2.6%, while Autos lagged with -5.6%.



Source: BofA Global Research, LCD

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Supreme Court skepticism during initial IEEPA tariff proceedings has reintroduced market uncertainty. With a final ruling expected in early 2026, we assess sector-level impact of a potential reversal given performance post Liberation Day has been bifurcated into sectors highly impacted by tariffs vs those less impacted.

Unsurprisingly, Retail would benefit most from easing cost pressures driven by tariffs. While Autos have been affected, the primary tariff impact has been from Section 232 tariffs which are likely to remain in place. Moreover, recent loan underperformance in the sector is more attributable to the First Brands bankruptcy than tariff effects.

Since April, outperforming sectors were largely insulated from tariffs and may see only modest gains from reversal. Medical devices and equipment in Healthcare could improve, while Metals may benefit from lower input costs. Real Estate could see slight relief from cost moderation but remains more challenged by weak demand and high Fed rates. Cable and Telecom, with their domestic focus, are largely unaffected.

Some underperforming sectors may face new headwinds. In Chemicals and Paper/Packaging, reduced tariffs could increase international imports and intensify competition amid already declining demand.



HY supply and demand in '26

HY issuance +13% led by refies

We are on track to finish 2025 at ~\$315bn in HY gross issuance vs our forecast of \$285bn. The overshoot is due to GCP volumes increasing to \$60bn this year (incl small incl. AI-related). Excluding non-traditional HY issuance, 2025 issuance will likely finish at ~\$270bn.

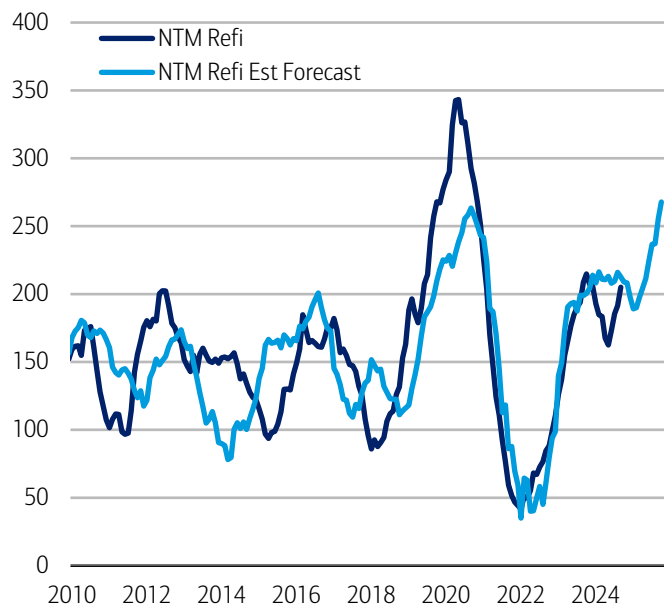
Using similar underlying analyses, in 2026 we forecast a +13% increase in HY issuance to \$360bn, primarily driven by increased refinancing activity while new money issuance stays flat. In addition, large-scale AI-related capex is expected to begin in earnest, as HY issuers ramp up investment in data centers, power infrastructure, and other related infrastructure. We earmark \$20bn for this category.

Refinancings to jump on steep maturity walls

At current run rate and discounting the typical holiday slowdown, HY refinancing volume is expected to reach \$205bn this year, in line with our \$200bn projection. In 2026, we estimate a 25% jump in refinancing volume to \$250bn. This outlook is supported by sizeable maturity walls in both the next 2yr and 3yr buckets, as many HY issuers held off refinancing maturities in the rising rate environment to retain cheaper financing. Next year as rates subside, we expect to see a wave of these refinancings hit the market.

Exhibit 3: HY Refi issuance Actual vs Estimated

We estimate \$250bn refi issuance in '26, up from ~\$205bn this year

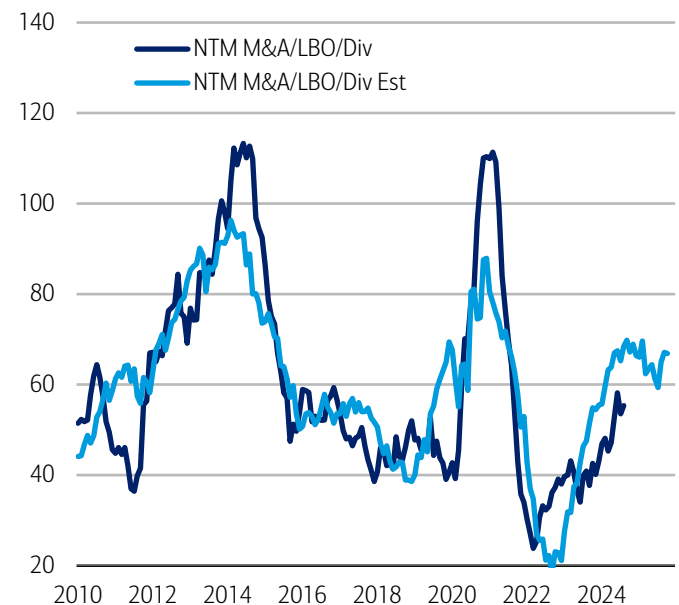


Source: BofA Global Research, ICE Data Indices, LLC

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Exhibit 4: HY M&A/LBO/Dividends issuance Actual vs Estimated

We estimate \$65bn M&A/LBO issuance in '26, in-line with ~\$58bn in '25



Source: BofA Global Research, ICE Data Indices, LLC

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M&A flat

M&A/LBO supply is on track to finish near ~\$58bn in '25, vs our \$55bn forecast. In '26, while overall M&A is expected to pick up, we think the loan market will remain the asset class of choice for sponsors and corporates to execute strategic transactions, given its more flexible and issuer-friendly call schedules. As such, we expect to see a marginal 0-5% YoY growth in total HY new money issuance, coming in at \$65bn, comprised of \$45bn in M&A and \$20bn in sponsor-led activity.

Capex to get an AI boost

GCP volume has accounted for a meaningful 15% of gross issuance over the last 3 years and is expected to total \$55bn in FY2025. We expect this trend to continue in 2026 and



estimate a similar GCP spend of \$40-50bn. However, a growing share of this bucket is expected to be tied to AI infrastructure buildout, as issuers plan funding their AI-related growth. We pencil in \$20bn of capex specifically linked to AI-adjacent capex.

We expect HY issuance of \$360 billion in 2026, a 13% YoY increase. We expect M&A and LBO activity to remain flat, as new money transactions continue to be executed primarily in the loan market. However, refinancing activity is set to rise by 25%, driven by elevated near-term maturities and lower expected interest rates. Additionally, increased AI-related capex will contribute to higher overall issuance.

HY net issuance +14%

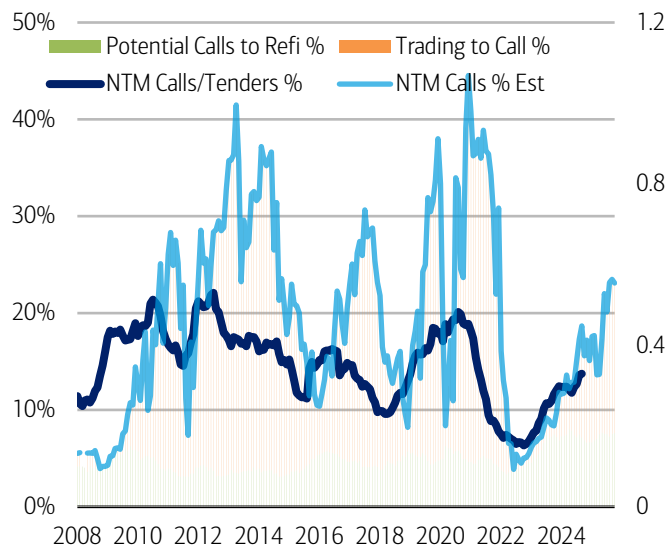
To arrive at net issuance, we separately assess calls/tenders, maturities, Fallen Angels, and Rising Stars. In addition to supply, we also evaluate the scope of next year's HY demand from observable sources of inflows such as coupons and retail.

Calls/Tenders/Maturities:

Our quant estimates suggest 14% or approximately \$200bn of the HY index could be called or tendered in 2026, representing little change vs LTM levels. We categorize calls/tenders into two groups: 1) necessary activity, i.e. bonds maturing in 2027 that are likely to be called and refinanced in 2026 and 2) opportunistic activity, from bonds maturing beyond 2027 but currently trading at YTM-YTW of >50bp, making them attractive for early takeout. A simple, parsimonious regression suggests that only 1) plays a key role in calls/tenders, along with change in yields and shape of the yield curve. Which is what we use in calculating our estimates.

Exhibit 5: NTM realized calls/tenders vs components

Potential Calls to Refi (% maturing in the second next year) and Trading to Call (% with YTW-YTM<50bp) are two main categories for potential calls

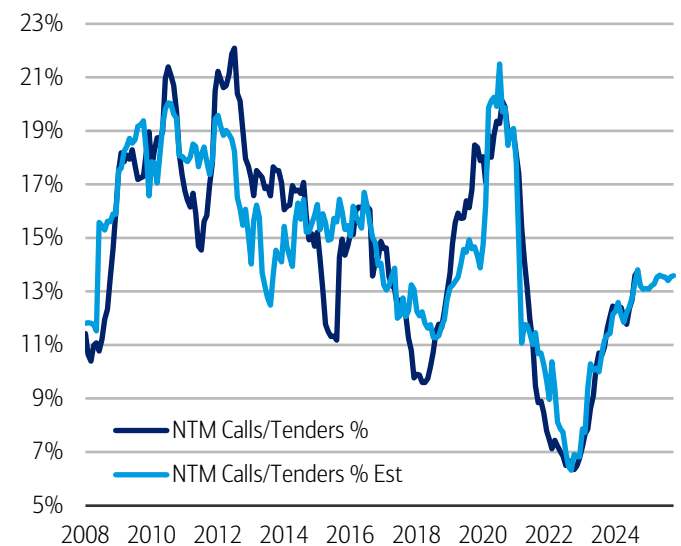


Source: BofA Global Research, ICE Data Indices, LLC

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Exhibit 6: NTM Calls/Tenders as % of index Actual vs Estimated

NTM calls/tenders are projected to be 14% of HY index, in-line with '25



Source: BofA Global Research, ICE Data Indices, LLC

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\$40bn of HY debt is coming due in 2026, half of which will likely be refinanced by YE'25. Adjusting for this, we estimate \$26bn will likely mature in '26.



All told, we expect HY net supply to increase 14% from \$120bn by YE'25 to \$137bn in '26.

Coupons to provide steady demand

We estimate coupons to generate \$108bn in HY demand next year, in-line with today's levels. Our HY MTM carry calculation (yield minus coupon) suggests the same- the metric is positive but approaching zero, implying coupons which have been increasing steadily since 2023 are unlikely to see a meaningful jump up going forward.

Exhibit 7: HY MTM Carry (YTW-Coupon)

HY MTM Carry (YTW – Coupon) reached nearly 4% in '22 and has decreased since then to 0.2%



Source: BofA Global Research, ICE Data Indices, LLC

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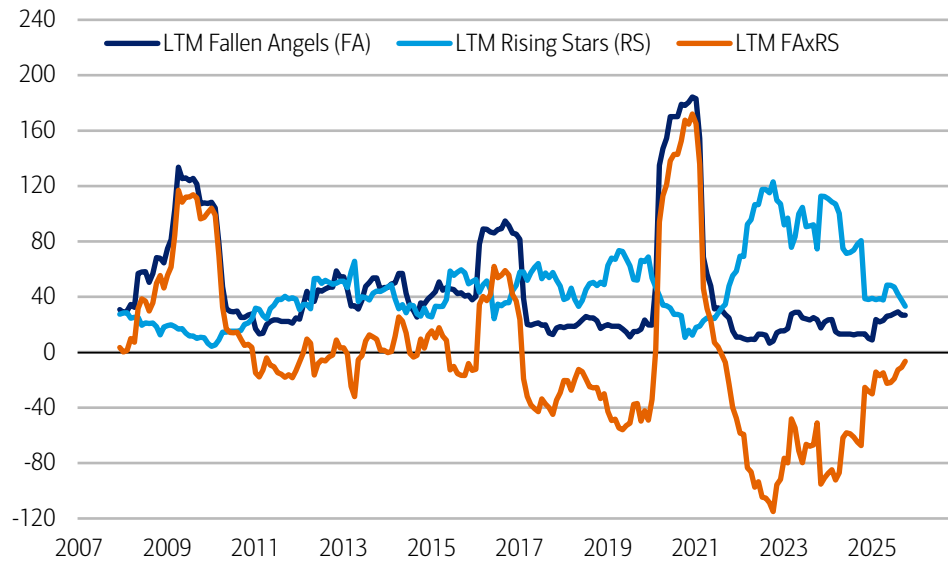
Fallen Angels and Rising Stars

Fallen Angel (FA) and Rising Star (RS) trajectories have converged over the last two years largely a function of the latter, as FAs generally stay in a tight range outside of economic recessions. We expect HY downgrade rates to remain flat next year ([Defaults and downgrades in 2026](#)), implying broadly flat net migration in '26.



Exhibit 8: HY LTM Fallen Angels vs Rising Stars

Fallen angels peaked in '20 to \$183bn, most of which returned to IG in the years following. They have now converged with \$10bn in net rising star activity LTM.



Source: BofA Global Research, ICE Data Indices, LLC

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HY Retail Flows

The 10yr yield has historically been the most reliable indicator of HY retail flows. Its sharp decline from ~5% in 2023 may reduce the relative appeal of HY for yield-focused investors going forward. Additionally, lower equity volatility today may shift flows toward equities, away from HY. A third factor influencing HY retail demand is the change in S&P 500 P/E ratios. Increasing valuations tend to draw capital toward equities. However, recently valuation growth has stumbled, suggesting support for HY inflows. Taken together, two of the three key drivers point to softer retail HY demand in '26, likely in the ~\$12bn zipcode, down from LTM levels of \$19bn.

HY technicals to soften towards neutral territory

We expect HY technicals (visible demand minus supply) to continue to soften in 2026. On the supply side, gross issuance is projected to rise, driven by 25% increase in refinancing activity and incremental new money issuance tied to AI-related capex, while calls/tenders stay roughly flat.

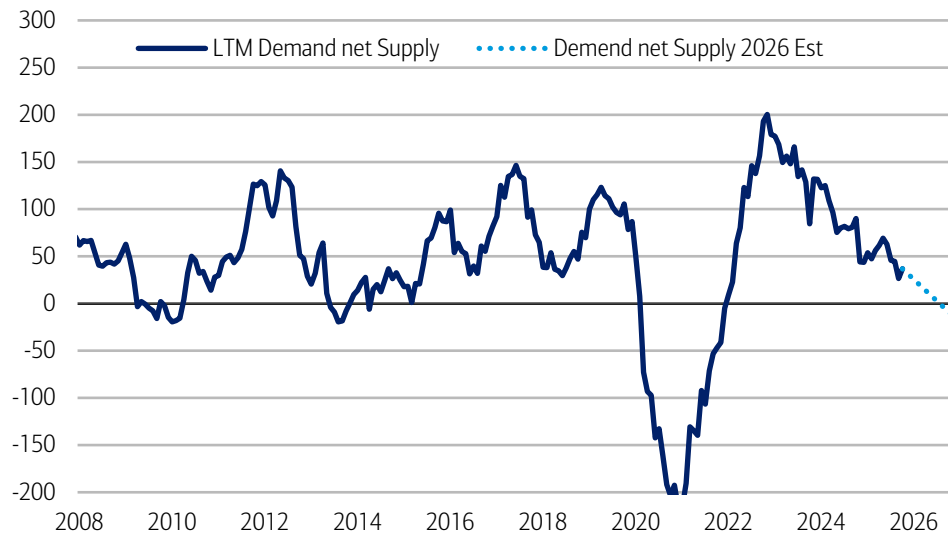
On the demand side, as outlined above, we expect retail inflows to remain positive at \$12bn but soften relative to prior years due to lower Treasury yields. Institutional demand (not visible or factored into the calculation) may also moderate, particularly if risk appetite shifts toward equities amid stable or rising valuations.

As a result, we anticipate the technical imbalance which persisted most of the last 3 years to finally collapse, reaching neutral territory.



Exhibit 9: HY LTM visible demand net supply projection

Visible demand net supply peaked in late '22 at ~\$200bn and has been trending lower since. We project the technicals to be slightly negative in '26.



Source: BofA Global Research, ICE Data Indices, LLC

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We expect HY technicals to soften in 2026, driven by a 25% increase in refinancings without commensurate increase in calls/tenders. Retail demand and no net migrations could be a headwind as well.

Loan supply and demand in '26

Loan supply to decline 5% despite higher M&A

YTD issuance stands at \$400bn, which based on current run rate discounted for typical seasonal slowdown, implies full-year 2025 issuance reaching \$440bn vs our YA'25 forecast of \$450bn ([M&A head fake](#)).

Using similar underlying analyses, we expect issuance (excluding repricings) to decline 5% to \$425bn in 2026, in line with the moderating GDP growth projected by the BofA Economics team ([US Economic Weekly](#)). Historically, US GDP trends have shown a loose correlation with loan primary market activity.

Notably, we anticipate a meaningful shift in issuance composition in 2026: refinancing activity as a share of total issuance is expected to decline for the 4th consecutive year, while true new money activity (M&A + LBOs) is poised for a long-awaited rebound. As a result, we think the loan index will grow for the 3rd consecutive year, increasing by 25% of issuance, or ~\$106bn - the largest YoY increase in index AUM since 2021.

New money activity to rise on rates and deregulation tailwinds

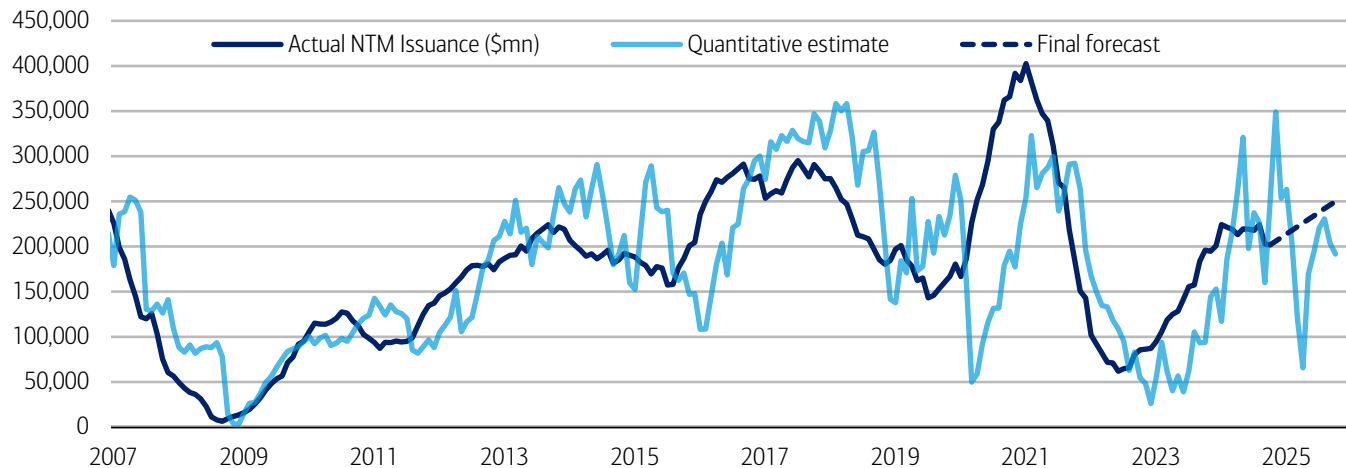
YTD M&A/LBO linked issuance stands at \$200bn, on track to finish around ~\$220bn by YE vs our \$230bn forecast. 2025 has been a year of dramatic shifts: initial optimism following Trump's election and expectations of supportive regulatory and Fed policy gave way to a series of tariff announcements leading up to Liberation Day, which introduced significant market uncertainty and volatility that lasted for months.



Looking to 2026, we think qualitative macro factors will outweigh our conservative quantitative estimates, supporting a forecast for higher new money activity YoY. Our regression-based estimates suggest \$175–\$215bn in supply (Exhibit 10), down ~10% from 2025 - driven by elevated equity valuations that make strategic acquisitions more expensive. However, we need to factor in several non-quantifiable tailwinds: a pro-markets, deregulatory tilt in a midterm election year, pent-up demand from the Biden-era, and a backlog of deals postponed in 2025 due to tariff-related uncertainty. (Note that we applied a similar qualitative overlay in our YA'25 report, adjusting our new money forecast down from \$250bn to \$230bn.)

Exhibit 10: Loan new money forecast for 2026

We expect M&A/LBO/Dividend issuance to reach \$250bn in 2026, a +13% YoY increase



Source: BofA Global Research, LCD

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Our final 2026 forecast for M&A/LBO/Dividend issuance is \$250bn, representing a +13% YoY increase in new money activity. We expect strategic corporate activity to play a dominant role with a growth of +20% YoY to \$100bn. LBOs may also catch a tailwind due to rates, and public-to-private conversion trends, increasing 10% YoY to \$70bn, while dividend recaps may only grow 5% YoY, but still remain the dominant type of sponsor product at \$80bn.

Refinancings to decrease 20% on benign near-term maturities

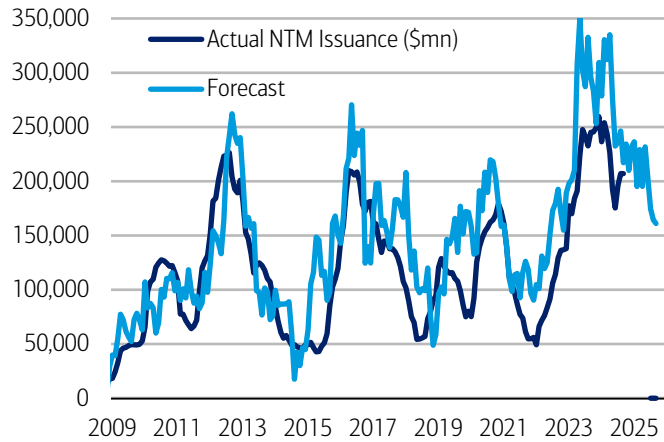
Refinancing activity is also tracking close to our \$210bn forecast, with YTD at \$180bn, and full-year expected to reach \$200bn. In 2026, we project a meaningful decline (outputs range from \$100-160bn). At the high end, \$160bn in refies would represent a 20% YoY decline, which is our forecast (Exhibit 11).

Refi estimates are quantitatively most sensitive to <2yr maturities, which have declined to 3.7% in Sep'25 from 5.5% in Oct'24 (Exhibit 12). That said, we note that <3yr maturities have moved the opposite way, doubling from 12% to 21% over the last 12 months. This is the reason why the upper end of our range of estimates makes most sense. As more loans roll into the <2yr bucket in 2H26, there may be further upside to refies.



Exhibit 11: Loan Refinancings forecast for 2026

We expect refi issuance of \$160bn in 2026, a 20% YoY decline

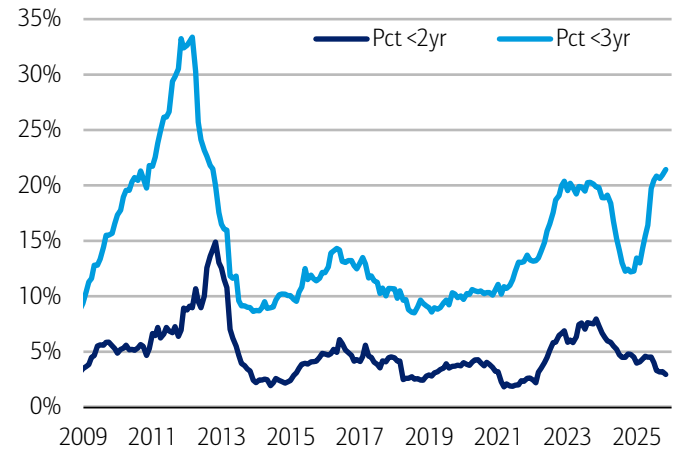


Source: BofA Global Research, LCD

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Exhibit 12: Pct of US loans maturing next 2 and 3 years

While the share of loan maturing next 2yrs has declined to 3.7%, <3yr maturities have almost doubled to 21% over the last 12 months



Source: BofA Global Research, LCD

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Prepayments to slow down with refies

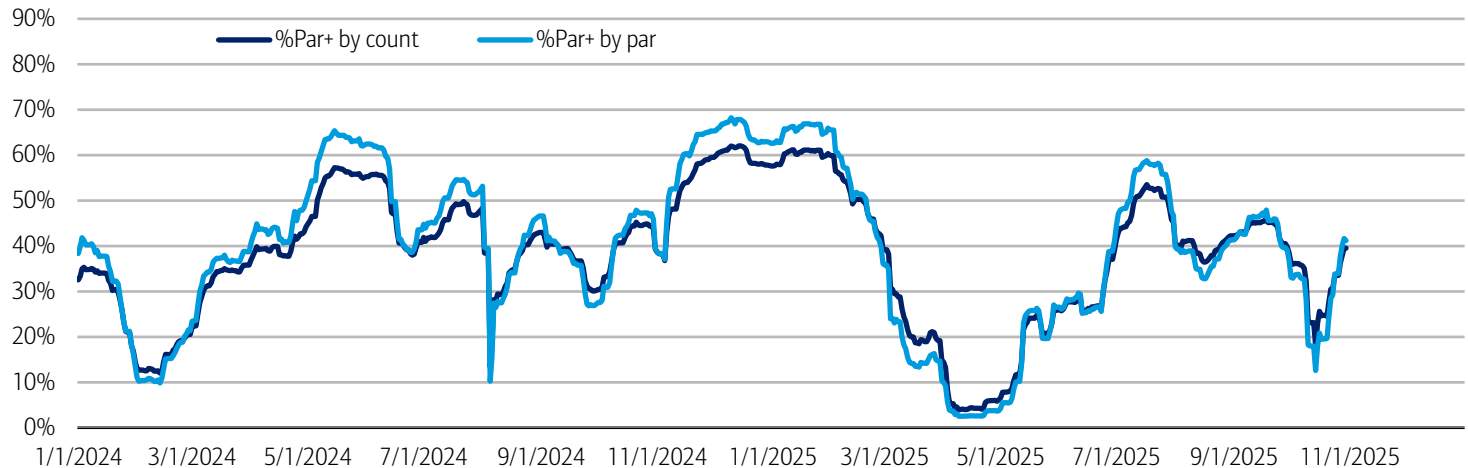
Prepayments are a function of issuance levels as well as loans trading > 100. Since we expect both to decline next year, prepayments should come in softer as well. A bigger loan market (+\$100bn this year) provides a partial offset, but we think prepayments will slow down to \$280bn in 2026, representing a 10% decline vs 2025.

Repricings to decline as par+ loans ease

YTD repricing volume has reached \$454bn, driven by a record-setting \$228bn in Q3 that included \$160bn in July alone - the highest monthly repricing volume on record driven by par+ loans reaching 50%+ through the summer. Q3 totals exceeded our \$150bn N3M forecast from our mid-year outlook ([Half-time report + 2H forecasts](#)). Since June, par-plus loans have eased to ~40% (Exhibit 13), after rebounding from a low of 13% in mid-Oct, as loan investors moved on from concerns around BDCs and prominent Auto bankruptcies.

Exhibit 13: Percentage of loans trading above par

Par+% has rebounded to 40% from a 13% low in mid-Oct



Source: BofA Global Research, LCD

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Looking ahead, we forecast N3M repricing activity to decline to \$63bn, based on a \$97bn repriceable universe (Exhibit 14), defined as loans out of their 6-month non-call period and priced above 100.25. If market conditions remain constructive, N6M repricing volume could reach \$200bn (Exhibit 15), based on loans priced above 100 and out of their non-call window.

Exhibit 14: Short term repriceable universe in the Loan index

We see \$97bn in potential short-term repricings of which \$63bn is most likely to be repriced

Margins	Count	Repriceable Universe	Count%	Repriceable Universe%
<250	23	18,011	2%	1%
250-350	26	43,344	2%	3%
350-450	18	19,489	1%	1%
450-600	14	11,961	1%	1%
600+	9	3,824	1%	0%
Aggregate repriceable universe	90	96,629	7%	6%
Most likely to be repriced	44	62,833	3%	4%

Source: BofA Global Research, LCD

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Exhibit 15: Long term repriceable universe in the Loan index

We see \$330bn in potential long-term repricings of which \$200bn is most likely to be repriced

Margins	Count	Repriceable Universe	Count%	Repriceable Universe%
<250	86	111,822	6%	7%
250-350	94	149,812	7%	10%
350-450	51	49,445	4%	3%
450-600	21	15,679	2%	1%
600+	10	4,374	1%	0%
Aggregate repriceable universe	262	331,132	20%	22%
Most likely to be repriced	145	199,257	11%	13%

Source: BofA Global Research, LCD

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We expect loan supply to decline -5% in 2026, as lower refinancings outweigh higher M&A and LBO transactions driven by regulatory and rate tailwinds. Strategic M&A is expected to be the dominant driver, growing 20% YoY, while LBOs and dividend recapitalizations will see more modest growth.

Loan demand to moderate

CLO demand to remain robust

We expect CLO reset activity to increase in 2026, driven by 2022 exiting their NC periods. For perspective, CLO spreads have tightened 51bps over the past two years with AAAs now at their tightest levels since GFC (~S+125). In addition, +13% YoY loan new money issuance could also contribute to CLO growth. We pencil in gross CLO issuance to grow +10% vs 2025, though net issuance may stay flat. The combination of lower liability costs, maturity-driven resets, and improving loan supply sets the stage for a more active CLO market in 2026, even if net growth remains modest.

Retail flows to turn negative

HY has historically led Loans in retail demand, and its recent softening demand suggests a slowdown in Loans inflows. This is in line with historical observations of loan retail demand slowdown in the face of lower rates. We pencil in \$10bn in loan outflows for 2026.

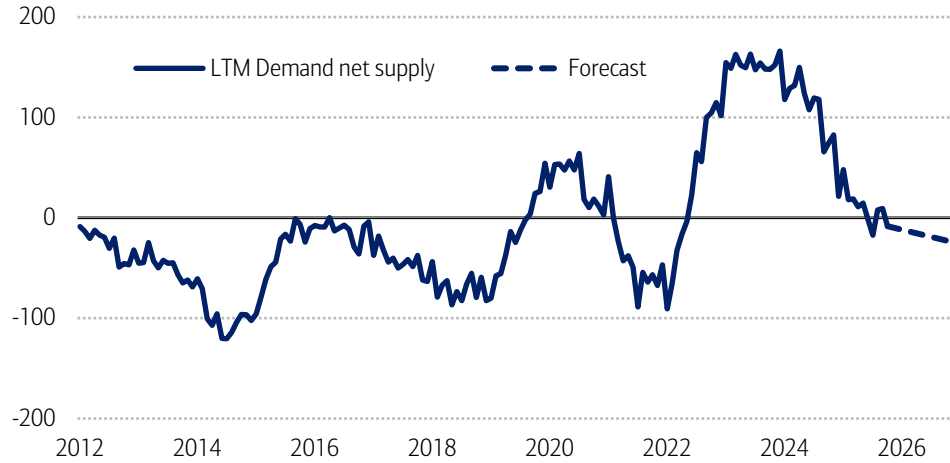


Loan technicals, now balanced, to stay neutral

The Loan market in 2026 is poised for a constructive supply environment, led by higher strategic M&A and LBO activity, lower prepayments which are offset by declining Refi volumes as well. On the demand side, we expect CLO activity to remain at current levels, while retail outflows present headwinds. Overall, we expect the supply/demand technicals which have mean reverted all year, to continue to soften and remain in neutral territory next year (Exhibit 16). The upside to this base case is if macro conditions and investor sentiment lean more favorable, this will result in increasing demand potentially sending us back into positive technicals that have characterized most of the post-hike era.

Exhibit 16: Loan technicals to soften in 2026

Demand net supply set to soften and stay in neutral territory in 2026



Source: BofA Global Research, LCD

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We expect loan demand ex supply to stay balanced in 2026, where lower supply is supported by a robust CLO market partially offset by softer retail inflows and reduced carry due to declining rates.



Market Recap: USD HY

Systematic Strategies

Our rich/cheap screens shown below are defined as names screening the widest relative to their underlying issuer-level CSI (cheap) and those screening the tightest (rich).

Exhibit 17: Rich/cheap screen: issuers trading wide/tight to their CSI-implied OAS

OASe: OAS estimate based on issuer-level CSI; OAS Δ : projected spread change (OASe – OAS)

Cheap to fair value in overweight segments							Rich to fair value in underweight segments						
Ticker	Issuer	Sector	Face	OAS	OASe	OASΔ	Ticker	Issuer	Sector	Face	OAS	OASe	OASΔ
CVNA	CARVANA CO	Autos	3,929	658	303	-355	CHTR	CHARTER COMMS	Cable	26,493	203	403	200
BORRNO	BORR IHC LTD	Energy	1,873	655	471	-184	WBD	WARNERMEDIA HOLD	Media	14,350	201	393	192
ZAYO	ZAYO GROUP HOLDI	Telecoms	2,019	566	373	-193	LUMN	LUMEN TECHNOLOGI	Telecoms	6,141	416	817	402
RRD	RR DONNELLEY & S	Media	1,525	559	367	-193	SVC	SERVICE PROPERTI	Travel	4,855	474	661	187
BRANDI	BRAND INDUSTRIAL	Cap Goods	1,435	822	629	-193	OGN	ORGANON & CO/ORG	Healthcare	4,858	501	791	291
TALO	TALOS PRODUCTION	Energy	1,250	431	238	-193	CC	CHEMOURS CO	Chemicals	2,498	414	625	211
TRIVIU	TRIVIUM PACKAGIN	Packaging	1,200	529	352	-177	AMPBEV	ARDAGH METAL PAC	Packaging	2,250	194	385	191
CDK	CNT PRNT	Autos	1,505	1,019	760	-259	IHRT	IHEARTCOMMUNICAT	Media	2,331	895	1,109	214
AMBATH	CP ATLAS BUYER I	Real Estate	989	752	496	-256	CLVTSC	CLARIV SCI HLD	Healthcare	1,843	254	514	260
ASTONM	ASTON MARTIN CAP	Autos	1,050	1,093	811	-282	VFC	V.F. CORPORATION	Retail	1,814	222	423	202
INFRAB	INFRABUILD AUSTR	Metals	698	809	374	-435	DHC	SENIOR HOUSING P	Healthcare	1,375	321	526	206
UIS	UNISYS CORP	Technology	700	511	334	-177	CODI	COMPASS GROUP DI	Financials	1,323	463	748	285
MSSCRK	MOSS CREEK RESOU	Energy	750	507	329	-178	PANIRP	PANAMA INFRASTRU	Financials	1,428	262	457	195
AMC	AMC THEATRES	Media	760	674	459	-215	KSS	KOHL'S STORES	Retail	1,287	469	767	298
TEKNI	TRIDENT TPI	Packaging	620	696	351	-345	LNDPT	LD HOLDINGS GROU	Financials	840	557	767	209
CRASHC	CHAMPIONS FINANC	Autos	600	634	335	-299	PENN	PENN NATL GAMING	Gaming	800	230	476	246
SOILCN	SATURN OIL & GAS	Energy	536	536	364	-172	VSCO	VICTORIA'S SECRE	Retail	600	218	419	201
PLDEVE	P&L DEV LLC/PLD	Healthcare	510	743	411	-332	PLTK	PLAYTIKA HOLDING	Gaming	600	425	637	212
POWBUY	ARTERA SERVICES	Utilities	600	906	730	-176	THS	TREEHOUSE FOODS	Food	500	128	331	203
RADIAT	RADIATE HOLDCO /	Cable	794	1,129	782	-347	CNDT	CONDUENT BUS SER	Technology	520	425	635	210
Total/Average			23,342	699	448	-251	Total/Average			76,705	304	530	226

Source: BofA Global Research, ICE Data Indices, LLC. **Disclaimer:** The screen above is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. This screen was not created to act as a benchmark. Note: This screen is not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.

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Exhibit 18: Largest issuers by CSI deciles

Top 15 largest cap structures by face value in each decile, as ranked by individual issuer CSIs

Ticker	Rtg	OAS	CSI	Ticker	Rtg	OAS	CSI	Ticker	Rtg	OAS	CSI	Ticker	Rtg	OAS	CSI				
D1				D2				D3				D4				D5			
GFLCN	BB2	105	0.29	XYZ	BB1	124	0.45	ENTG	BB2	129	0.52	QXO	BB3	191	0.56	ACRISU	B3	230	0.60
IQV	BB1	103	0.32	BALL	BB1	129	0.45	PKICN	BB3	170	0.52	ALIAANT	B3	209	0.56	TIHLLC	B2	218	0.60
HLT	BB2	115	0.34	IRM	BB3	132	0.45	ST	BB2	119	0.52	ACI	BB2	156	0.56	OMF	BB2	218	0.60
CPN	BB3	84	0.34	THC	BB3	128	0.46	POST	B2	164	0.52	BMCAUS	BB2	152	0.56	RG CARE	B3	265	0.60
URI	BB2	98	0.35	SUN	BB1	156	0.46	SBAC	BB2	113	0.52	WYNFIN	BB3	161	0.56	BCULC	BB3	130	0.61
YUM	BB3	108	0.36	FTAI	BB3	153	0.46	TEP	B1	227	0.52	GEL	B2	228	0.56	BBWI	BB2	180	0.61
VIKCRU	BB2	138	0.37	RKT	BB1	127	0.46	LW	BB2	126	0.53	MGM	BB3	149	0.57	ARDGRP	CCC1	302	0.61
TDG	B1	148	0.37	QUIKHO	B1	148	0.47	OTEXCN	BB2	147	0.53	ADT	BB3	163	0.57	NCLH	B2	205	0.61
RHP	BB3	133	0.39	NRG	BB1	128	0.47	BLDR	BB3	151	0.54	LVLT	B1	221	0.58	NXST	BB3	161	0.61
PR	BB1	151	0.40	TLN	BB3	157	0.48	PFSJ	BB3	172	0.54	GPK	BB2	154	0.58	NAVI	BB3	250	0.62
PPC	BB1	121	0.41	STWD	BB2	153	0.48	MTDR	BB3	204	0.54	AAL	BB1	182	0.58	HNDLIN	BB3	198	0.62
SCI	BB3	118	0.41	CCL	BB1	125	0.48	VEGLPL	BB2	189	0.54	COMM	CCC2	266	0.58	MINAU	BB3	274	0.62
WCC	BB2	165	0.42	JANEST	BB1	156	0.50	POWSOL	B2	179	0.54	RAKUTN	BB3	222	0.58	SM	BB3	257	0.63
BBDBCN	B1	137	0.42	HBGCN	B2	177	0.50	ILDFP	B1	204	0.55	KGS	BB3	195	0.58	WULF	BB2	295	0.63
SEE	BB2	127	0.44	MEDIND	BB3	122	0.50	CHDN	B1	151	0.55	HRI	BB3	159	0.58	FREMOR	B2	295	0.63
Avg		123				141				163				187					232
D6				D7				D8				D9				D10			
ABG	BB3	164	0.64	TIBX	B2	299	0.69	DISH	CCC1	471	0.74	CRWV	B1	557	0.81	BHCCN	CCC1	653	0.91
VENLNG	BB3	313	0.65	UNSEAM	B3	243	0.69	NSANY	BB2	231	0.74	SBGJ	B3	407	0.81	GTN	B3	574	0.91
CIVI	BB3	306	0.65	CLF	BB3	257	0.69	CCO	CCC1	319	0.75	UNIT	B3	382	0.81	MCFE	CCC1	636	0.91
DVA	BB3	178	0.65	UVN	B2	336	0.69	SOLEIN	B3	318	0.76	AVIAGP	B2	544	0.82	SABHLD	B3	847	0.91
MOH	BB2	188	0.66	SOFTBK	BB2	250	0.69	RIG	B3	357	0.76	GRA	B2	358	0.83	OGN	BB3	501	0.92
WIN	B1	332	0.66	GWCN	B3	284	0.69	HILCRP	BB2	331	0.76	NWL	B1	380	0.84	SPLS	CCC1	976	0.92



Exhibit 18: Largest issuers by CSI deciles

Top 15 largest cap structures by face value in each decile, as ranked by individual issuer CSIs

Ticker	Rtg	OAS	CSI	Ticker	Rtg	OAS	CSI	Ticker	Rtg	OAS	CSI	Ticker	Rtg	OAS	CSI	Ticker	Rtg	OAS	CSI
SIX	BB3	253	0.66	CZR	B1	222	0.71	VMED	BB3	273	0.76	BWY	B3	559	0.84	LUMN	CCC1	416	0.92
SIRI	BB2	156	0.66	CRGYFN	BB3	390	0.72	WBD	BB2	201	0.77	IONPLA	B2	476	0.84	HTZ	B3	840	0.93
DKL	B1	272	0.67	AXL	B1	242	0.72	DTV	BB3	475	0.77	FRTITA	CCC1	418	0.86	ALTICE	CCC2	1,345	0.93
LAD	BB2	162	0.67	SATS	B3	256	0.73	CHTR	BB1	203	0.78	CYH	CCC1	461	0.87	XRX	B3	1,816	0.95
CVNA	B1	658	0.67	SFRFP	CCC1	390	0.73	WHR	BB1	241	0.78	MPW	CCC1	476	0.87	CSCHLD	CCC2	1,698	0.97
AVTR	BB2	158	0.67	NOVHOL	B1	364	0.73	GT	B1	244	0.79	BSPEED	B3	722	0.88	IHRT	CCC2	895	0.97
GSYCN	BB3	341	0.68	CE	BB1	257	0.73	IEP	B1	502	0.80	CC	B1	414	0.88	LABL	CCC2	2,666	0.99
SKX	B3	390	0.68	PETM	B2	404	0.74	ZIGGO	BB3	317	0.80	MLTPLN	CCC2	507	0.88	ARGID	CC3	3,949	1.00
NGL	B1	318	0.69	HGVLLC	BB3	247	0.74	ZFFNGR	BB3	419	0.80	SVC	CCC1	474	0.89	NFE	CCC3	6,729	1.00
Avg		279				296				327				476					1,636

Source: BofA Global Research, ICE Data Indices, LLC. Rtg = agency rating. Disclaimer: The screen above is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. This screen was not created to act as a benchmark. Note: This screen is not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.

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Exhibit 19: New issue candidate list

Issuers with close maturities, small coupon step-up, no recent primary taps, and improving credit profiles
 Dec = issuer-CSI quality decile; MtyN2yr = face maturity size next 2 years (bonds & loans); dCPN = coupon step up between existing and likely new-issue; YrsLNI = years since last new issue (bonds & loans) This is a representative list. For the full list, please reach out directly.

Ticker	Issuer	Rating	Dec	Face	OAS	MtyN2yr	dOAS	dCPN	YrsLNI
RAKUTN	RAKUTEN GROUP I	BB2	D4	3,809	172	1,802	-52	-5.04	0.9
GGAMFI	GGAM FINANCE LT	BB2	D2	2,499	183	1,099	55	-1.91	1.2
CALDER	CALDERYS FINANC	CCC1	D5	850	324	0	97	-4.49	1.3
AAL	AMERICAN AIRLIN	BB2	D4	12,899	182	1,742	15	-0.93	0.4
LYV	LIVE NATION ENT	BB3	D1	2,950	126	2,450	4	-0.43	4.9
BDN	BRANDYWINE OPER	BB2	D5	2,000	199	450	2	-0.68	0.1
NAVI	NAVIENT CORP	BB3	D5	3,950	248	1,200	35	-0.86	0.5
AMGFIN	SPRINGLEAF FINA	BB2	D3	1,915	179	424	24	-0.77	5.5
STWD	STARWOOD PROPER	BB2	D2	3,950	152	900	-17	-0.52	0.1
CLMT	CALUMET SPECIAL	CCC2	D8	650	556	325	-19	0.32	0.8
VENLNG	VENTURE GLOBAL	BB3	D6	11,000	313	0	95	-1.89	1.3
VST	VISTRA OPERATIO	BB1	NULL	6,997	87	2,600	-27	-1.37	0.9
TRN	TRINITY INDUSTR	BB2	D1	600	129	0	-35	-2.76	1.5
PHOAVI	PHOENIX AVIATIO	B2	D7	600	389	0	33	-1.66	0.4
DISH	DISH DBS	CCC3	D8	13,249	472	8,250	-45	0.83	2.8
BID	SOTHEBY'S	B3	D2	1,065	130	765	-341	-1.96	4.3
NCX	NOVA CHEMICALS	BB3	D2	3,075	163	1,050	19	-1.18	1.0
FREMOR	FREEDOM MORTGAG	B2	D5	4,035	295	535	-54	-2.29	0.3
RWNYYN	GENTING NY LLC/	BB1	D3	625	219	0	13	-1.36	1.1
INFRAB	INFRABUILD AUST	CCC1	D8	698	809	0	73	-2.71	1.3
PROFUN	PROVIDENT FDG/P	B3	D7	525	423	0	51	-1.82	0.4
PLNFIN	PLANET FINANCIA	B3	D7	600	502	0	-28	-1.78	0.4
BWY	MAUSER PACKAGIN	B2	D9	4,819	561	4,819	222	0.98	0.9
SPR	SPIRIT AEROSYST	CCC1	D1	3,676	139	876	-36	-2.82	2.0
AHOMES	ADAMS HOMES	B1	D5	400	314	0	23	-2.41	1.5
GEN	GEN DIGITAL INC	BB3	D1	8,754	135	4,097	-4	-1.60	0.6
KNTK	KINETIK HOLDING	BB1	D3	2,050	177	0	9	-0.80	0.6
MINAU	MINERAL RESOURC	BB3	D5	3,049	274	625	8	-1.89	0.1
TGNA	TEGNA BROADCAST	BB2	D2	2,100	140	0	29	0.28	5.2
USACUT	US ACUTE CARE S	B3	D8	1,000	539	0	37	-0.66	0.9

Source: BofA Global Research, ICE Data Indices, LLC. Note: This screen is not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.

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Performance Recap

HY widened for 4 straight sessions (~9bp/day) following the Oct FOMC and heavy AI supply in IG, before retracing 8bp yday to close at 305bp. The index is down 0.28% WTD in TR, w/ low quality lagging as CCCs lost 0.51%, 2x of BBs/Bs.

Exhibit 20: Spreads, prices, and yields

Pctles calculated based on data from Jan 2000 onwards. CCCs xD= CCCs non-distressed.

Ticker	OAS	Change			52wk		Price	YTW	Pctle	
		1d	1wk	1mo	Tights	Wides			OAS	YTW
HY	305	-8	29	29	259	461	97.4	6.98	15%	33%
BBs	187	-8	19	14	156	306	99.5	5.84	14%	38%
Bs	319	-7	35	39	254	486	99.6	7.11	20%	37%
CCCs xD	476	-10	17	23	443	743	95.3	8.43	11%	39%
CCCs	885	-12	63	81	690	1,137	81.9	12.62	46%	58%
IG	81	-2	6	7	74	121	95.6	4.88	6%	52%
As	66	-2	5	5	61	102	95.8	4.72	4%	53%
BBBs	102	-2	6	8	93	149	96.2	5.09	7%	48%
Loans	431	-1	2	11	413	538	97.1	7.94	28%	54%
BB Loans	273	0	3	6	248	339	99.2	6.51	23%	54%
B Loans	427	0	3	13	408	545	97.8	7.96	20%	49%
CCC Loans	1,506	9	38	13	1,251	1,665	78.8	18.86	74%	86%
EM HY	354	-5	12	17	307	488	96.3	7.43	24%	33%
EM BBBs	116	-3	2	4	110	185	98.1	5.15	1%	55%
EM BBs	252	-5	8	13	239	389	98.5	6.46	3%	43%
EM Bs	392	-6	-58	-50	327	576	100.0	7.57	18%	15%

Source: BofA Global Research, ICE Data Indices, LLC

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Exhibit 21: Index returns

CCCs xD= CCCs non-distressed

Market	Total returns							
	1wk	2wks	mtd	1m	3m	6m	ytd	1yr
DM USD HY	-0.55	-0.12	-0.28	-0.22	1.7	5.5	7.0	7.6
5yr Trsy	-0.18	-0.81	-0.22	0.09	0.9	2.7	6.1	5.7
10yr Trsy	-0.61	-1.43	-0.45	0.10	1.5	3.8	7.3	5.4
IG	-0.86	-1.14	-0.38	-0.22	1.7	5.4	7.0	6.1
Loans	0.06	0.34	0.02	0.22	1.1	4.1	4.9	6.3
EM HY	-0.29	0.45	-0.26	0.50	2.0	6.9	7.9	8.5
BBs	-0.51	-0.12	-0.28	0.02	1.9	5.4	7.4	7.8
Bs	-0.52	-0.11	-0.22	-0.34	1.6	5.3	6.4	7.2
CCCs xD	-0.60	0.06	-0.32	-0.34	2.7	7.7	7.5	8.4
CCCs	-0.85	-0.18	-0.51	-1.11	1.2	6.6	6.1	7.6

Source: BofA Global Research, ICE Data Indices, LLC

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Exhibit 22: Excess returns vs HY index

By issuer-CSI quality decile, rich/cheap baskets, and new issues.

Decile	Excess returns vs HY index							
	1wk	2wks	mtd	1m	3m	6m	ytd	1yr
D1	0.29	0.09	0.13	0.62	0.0	-1.5	0.0	-0.4
D2	0.20	0.09	0.10	0.43	-0.2	-1.3	-0.5	-0.9
D3	0.25	0.25	0.11	0.62	0.1	-0.7	-0.2	-0.5
D4	0.07	0.05	0.00	0.22	-0.1	-0.2	0.7	0.9
D5	0.19	0.14	0.03	0.42	0.3	0.8	0.9	0.6
D6	-0.06	0.01	-0.13	0.08	-0.3	0.1	0.2	0.6
D7	0.28	0.40	0.20	0.07	0.5	1.3	1.3	0.9
D8	-0.75	-0.81	-0.16	-0.61	0.1	2.1	0.6	1.0
D9	-0.08	0.00	-0.04	-0.71	1.7	3.6	1.2	1.0
D10	-0.85	-0.63	-0.39	-2.34	-2.6	-1.4	-4.3	-3.4



Exhibit 22: Excess returns vs HY index

By issuer-CSI quality decile, rich/cheap baskets, and new issues.

Decile	Excess returns vs HY index							
	1wk	2wks	mtd	1m	3m	6m	ytd	1yr
Cheap all deciles	-0.34	-0.70	-0.03	-1.06	2.7	4.1	4.5	4.3
Rich all deciles	-0.34	-0.70	-0.03	-1.06	2.7	4.1	4.5	4.3
New issues last-1m	0.59	1.20	0.07	1.39	2.3	4.9	7.9	9.3
New issues last-3m	0.03	0.48	-0.09	0.61	1.5	3.7	4.9	5.2

Source: BofA Global Research, ICE Data Indices, LLC

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Packaging/Paper (-0.70%), Transportation (-0.65%), and Chemicals (-0.59%) has been the worst performers, while Telecoms (+0.02%) was the only sector with positive TR.

Exhibit 23: Strongest movers (ticker-level price changes)

Ranked by 1wk index impact (market*Δprice)

Ticker	Rtg	Dec	Sector	1Wk	2Wk	1Mo	3Mo	YTD	Ticker	Rtg	Dec	Sector	1Wk	2Wk	1Mo	3Mo	YTD
KW	B2	D6	Real Estate	3.0	2.5	2.1	3.8	7.7	CHTR	BB3	D8	Cable	-1.3	-1.3	-1.6	-1.0	2.4
IHRT	CCC1	D10	Media	2.5	3.9	4.6	15.2	7.0	CSCHLD	CCC2	D10	Cable	-2.1	-2.1	-6.6	-9.1	-12.2
PANIRP	BB1	D9	Financials	2.6	2.6	2.6	4.5	9.9	NWL	B1	D9	Retail	-4.1	-3.7	-4.9	-1.6	-6.6
GT	B1	D8	Autos	0.8	1.0	-0.1	-0.9	4.1	LABL	CCC2	D10	Packaging	-5.7	-5.9	-10.1	-21.2	-31.5
HUSKYI	B3	D4	Cap Goods	2.1	1.8	0.6	2.1	0.7	VENLNG	BB3	D6	Energy	-0.9	-0.6	-2.4	-1.5	-2.4
WIN	B1	D6	Telecoms	1.0	1.6	0.0	-0.5	-0.1	CE	BB1	D7	Chemicals	-1.5	-1.1	-2.4	-1.7	-1.1
UNIT	CCC1	D9	Telecoms	0.9	2.3	1.2	-0.5	4.3	TIBX	B2	D7	Technology	-1.0	-0.9	-1.0	-0.9	1.5
HTZ	B3	D10	Autos	0.7	0.9	-4.4	-2.5	0.7	BHCCN	CCC2	D10	Healthcare	-1.0	-0.3	0.8	1.9	12.8
LILAPR	CCC1	D10	Cable	1.4	2.1	2.7	-2.4	-23.4	CLF	BB3	D7	Metals	-1.4	-0.4	-0.5	3.0	3.2
CVNA	B1	D6	Autos	0.4	1.1	-0.9	-4.4	-7.0	MEDIND	BB3	D2	Healthcare	-0.7	-0.4	-0.1	0.8	3.2
ALTICE	CCC2	D10	Cable	0.6	0.8	-1.6	-3.7	-1.6	BWY	B3	D9	Packaging	-1.5	-1.4	-2.2	-1.2	-3.1
NGL	B1	D6	Energy	0.6	1.8	0.5	3.0	2.1	VMED	BB3	D8	Cable	-0.9	-0.7	-1.9	-1.0	4.7
MIK	CCC1	D10	Retail	0.7	2.6	2.2	19.4	23.4	CNR	B3	D9	Real Estate	-4.0	-4.0	-7.2	-2.7	-6.4
CRK	B3	D8	Energy	0.4	0.4	-1.0	1.9	2.1	CC	B1	D9	Chemicals	-2.3	-1.7	-3.2	0.7	0.3
NBR	B2	D7	Energy	0.4	2.6	0.8	7.3	3.7	DVA	BB3	D6	Healthcare	-1.1	-0.6	-0.5	0.8	4.0

Source: BofA Global Research, ICE Data Indices, LLC

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Primary Market Activity

Primary activity picked up notably w/ \$7.7bn priced WTD and \$2.8bn in the pipeline, 2x of the \$4bn avg in the past 4wks. All WTD prints came in Bs (56%) and BBs (44%), w/ refies accounting for 79% and Capex for 18%.

Exhibit 24: Recent New Issues

*Dec = issuer CSI decile; †Denotes 1st time issuer in HY; **Spread at the time of this update (change since issuance); °Denotes matches with New Issue Candidates List.

Date	Ticker	Dec*†	Rating	Spread**	Size	Issuer	Sector	Cpn/Mty	Price
10/21	ACI	D2°	Ba2/BB+	166 (-24)	800	Albertsons	Retail	5.750s of 2034	100.3 (+0.3)
10/21	ACI	D2°	Ba2/BB+	155 (-34)	700	Albertsons	Retail	5.500s of 2031	100.7 (+0.7)
10/23	VSNT		Ba2/BB	301 (-59)	1,000	Versant Media	Media	7.250s of 2031	101.9 (+1.9)
10/27	WHTCAP	D6	Caa1/CCC+	330 (-46)	650	White Cap Supply	Metals	7.375s of 2030	101.3 (+1.3)
10/27	KALU	D4	B2/BB-	190 (-11)	500	Kaiser Aluminum	Metals	5.875s of 2034	99.5 (-0.5)
10/28	VOLTAG	†	B3/B+	325 (-51)	2,000	VoltaGrid	Energy	7.375s of 2030	101.5 (+1.5)
10/28	BFH	D3	Ba2/BB-	282 (-27)	500	Bread Financial	Financials	6.750s of 2031	100.5 (+0.5)
10/29	CRI	D5	Ba3/BB+	369 (+2)	575	William Carter	Retail	7.375s of 2031	99.7 (-0.3)
11/3	THC	D1°	Ba3/BB	153 (-7)	1,500	Tenet Healthcare	Healthcare	5.500s of 2032	100.1 (+0.1)
11/3	NLSN	D9°	B3/B	645 (-15)	1,200	Nielsen	Media	10.375s of 2031	100.4 (+0.4)
11/3	THC	D1°	B2/B	182 (-20)	750	Tenet Healthcare	Healthcare	6.000s of 2033	101.0 (+1.0)
11/3	TMHC	D1°	Ba1/BB+	163 (-22)	525	Taylor Morrison	Real Estate	5.750s of 2032	101.0 (+1.0)
11/3	AY	D6	/B+	251 (-6)	285	Atlantica Sustainable	Utilities	6.375s of 2032	99.8 (+0.1)
11/4	NBR	D8°	Ba3/BB+	367 (-10)	700	Nabors Industries	Energy	7.625s of 2032	100.0 (+0.0)
11/4	W	D5	B2/BB-	275 (-15)	700	Wayfair	Retail	6.750s of 2032	100.3 (+0.3)
11/5	CIFR		Ba3/	343 (+7)	1,400	Cipher Compute	Technology	7.125s of 2030	99.7 (-0.3)
11/5	GWCN	D7	B1/B	248 (-23)	650	Garda World Security	Services	6.500s of 2031	101.0 (+1.0)
Total				294 (-23)	14,435				100.6 (+0.6)

Source: BofA Global Research, ICE Data Indices, LLC

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Sources of Demand

Outflows persisted but at a slow pace, totaling net \$0.2bn WTD (\$0.4bn out from ETFs and \$0.2bn into open-ends). Secondary Demand is supportive this week w/\$5bn in calls/mtly and \$3bn in coupons. We estimate a softer print next week of \$1.8bn calls/mtly and no coupons.

Exhibit 25: Combined HY supply/demand

Calls/mtly of \$1.8bn + no coupons due next week.

	Issuance	ETFs	Funds	Calls/Mtly	Net*	Coupon
Thu 10/30	0	-475	19	766	-766	448
Fri 10/31	0	165	-382	550	-550	40
Mon 11/03	4,260	-202	442	2,430	1,830	3,030
Tue 11/04	1,400	-89	-109	662	739	14
Wed 11/05	2,050	-147	-133	0	2,050	0
Week 10/10	4,943	-669	-1,321	4,289	654	113
Week 10/17	3,850	559	-2,170	3,349	501	5,606
Week 10/24	2,500	952	-2,767	1,136	1,364	85
Week 10/31	4,225	798	-1,178	2,609	1,616	527
Week 11/07e				5,056		3,082
Week 11/14e				1,816		19
Sep 2025	58,300	2,745	1,212	3	58,297	8,671
Oct 2025	17,518	3,436	-6,244	30,455	-12,937	10,238
Nov MTD	7,710	-438	200	3,810	3,900	3,052
Nov 2025e	29,051			20,569	8,483	7,467
Dec 2025e	17,306			16,983	323	7,537
YTD 2024	263,111	13,361	14,691	157,587	105,523	87,292
YTD 2025	293,330	23,383	-3,599	187,012	106,318	93,794
Pct chg	11%			19%	1%	7%
FY 2024	289,411	10,218	13,203	179,895	109,516	100,151
FY 2025e	285,000			213,719	71,281	108,079

Source: BofA Global Research, ICE Data Indices, LLC

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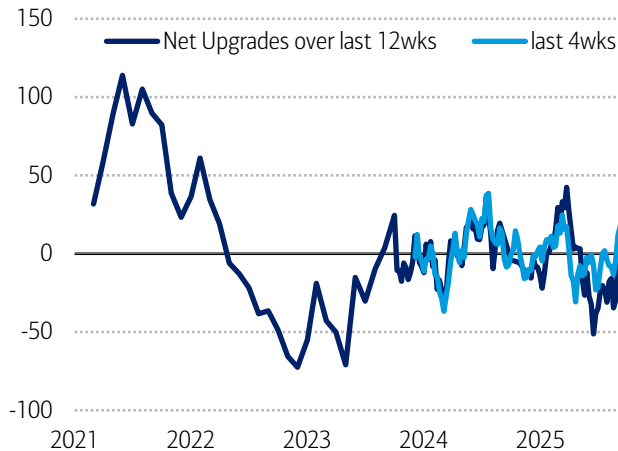
Rating Action Tracker

This week downgrades dominated upgrades. Chemicals (FXI, Consolidated Energy Finance) and Media (Nielsen) led downgrades; Energy (Nabors), Telecoms (SBA, Brightspeed), and Travel (Avianca) led upgrades over last 4wks.



Exhibit 26: HY index-eligible debt net upgrade (\$bn)

This week upgrades \$5.5bn and downgrades \$6.8bn.

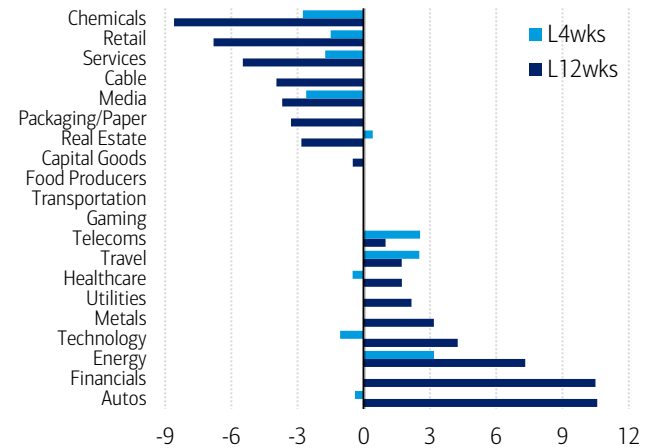


Source: BofA Global Research, ICE Data Indices, LLC

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Exhibit 27: Index-eligible debt up/downgraded by sector (\$bn)

Chemicals and Media led downgrades over last 4wks; Energy, Telecoms, and Travel led upgrades.



Source: BofA Global Research, ICE Data Indices, LLC

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Exhibit 28: Recent rating upgrades & downgrades

1wk/3m: actual notches upgraded/downgraded.

Recent realized upgrades (top 15)

Ticker	Name	Sector	Face	OAS	Rtg	1wk	3m	Est
NBR	NABORS INDUSTRI	Energy	2,125	314	B3	1	1	1
TPGE	MAGNOLIA OIL GA	Energy	400	233	BB3	1	1	0
SBAC	SBA COMMS	Telecoms	2,996	113	BB1	1	1	0
ARIS	ARIS WATER HOLD	Energy	500	100	BBB3		5	
CVNA	CARVANA CO	Autos	3,929	658	B1		2	
BIGBRS	BIG RIVER STEEL	Metals	720	81	BB1	1	3	
CRC	CALIFORNIA RESO	Energy	1,300	277	BB3	1	3	
LYV	LIVE NATION ENT	Travel	2,950	126	BB3	1	3	
VIKCRU	VIKING CRUISES	Travel	3,945	138	BB3	1	2	
EAT	BRINKER INTERNA	Travel	350	137	BB2	1	2	
CCL	CARNIVAL CORP	Travel	11,156	125	BB1	1	1	
ATI	ATI MATERIALS	Metals	1,450	113	BB3	1	0	
ELAN	ELANCO ANIMAL H	Healthcare	732	133	BB3	1	0	
AVIAGP	AVIANCA MIDCO 2	Travel	2,109	544	B1	1		
ENDP	ENDO FINANCE HO	Healthcare	1,000	274	BB3	1		

Total for all recent upgrades 35,661

Recent realized downgrades (top 15)

Ticker	Name	Sector	Face	OAS	Rtg	1wk	3m	Est
NLSN	NIELSEN MEDIA	Media	2,610	581	B2	-1	-1	-3
CONSEN	CONSOLIDATED EN	Chemicals	1,130	1,729	B3	-1	-1	-2
GPSHOH	GPS HOSPITALITY	Travel	400	2,952	CCC3	-1	-1	-1
W	WAYFAIR LLC	Retail	1,500	241	B1	-1	-1	
WNC	WABASH NATIONAL	Autos	400	565	B3	-1	-1	
LILAPR	LCPR CABLE	Cable	1,981	2,455	CCC1	-2		-1
TROX	TRONOX	Chemicals	1,475	1,534	B3	-2		-1
OPI	OFFICE PPTY INC	Financials	1,287	1,230	C	-2		
JELD	JELD-WEN INC	Real Estate	750	737	CCC1	-2		
SMPINF	SEMPRA INFRASTR	Energy	400	159	BBB3	-1		-3
VSTJET	VISTAJET GROUP	Travel	2,000	315	B3	-1		-3
CNDT	CONDUENT BUS SE	Technology	520	425	B2	-1		-2
PLDEVE	P&L DEV LLC/PLD	Healthcare	510	743	CCC2	-1		-2
QVCN	QVC INC	Retail	1,305	2,275	CCC1	-1		-2
VIAV	VIAVI SOLUTIONS	Telecoms	400	174	B1	-1		-2

Total for all recent downgrades 16,668

Source: BofA Global Research, ICE Data Indices, LLC. Disclaimer: The screen above is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. This screen was not created to act as a benchmark. Note: This screen is not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.

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Exhibit 29: Rating upgrades & downgrades candidates

Projected notches to be upgraded/downgraded from current level. This is a representative list. For the full list, please reach out directly.

Upgrade candidates (top 15)

Ticker	Name	Sector	Face	OAS	Rtg	1wk	3m	Est
COMM	COMMSCOPE	Telecoms	4,210	266	CCC3			3
ALiant	ALLIANT HOLD /	Financials	6,939	209	CCC2			3
CETERA	ARETEC BROKERS	Financials	1,100	191	CCC1			3
CHBANI	CHOBANI HOLDCO	Food	1,634	202	CCC1			3
WASPRO	WASTE PRO USA I	Services	850	183	B2			3
ACRISU	ACRISURE LLC /	Financials	4,275	230	CCC2			3

Downgrade candidates (top 15)

Ticker	Name	Sector	Face	OAS	Rtg	1wk	3m	Est
RWLVCA	RESORTS WORLD	Gaming	1,750	433	BB1			-3
HUN	HUNTSMAN INTERN	Chemicals	1,500	355	BB1			-3
PANIRP	PANAMA INFRASTR	Financials	1,428	262	BB1			-3
MAGN	GLATFELTER	Packaging	1,300	624	B1			-3
OGN	ORGANON &	Healthcare	4,858	501	B1			-3
JWN	NORDSTROM	Retail	2,541	238	BB1			-3



Exhibit 29: Rating upgrades & downgrades candidates

Projected notches to be upgraded/downgraded from current level. This is a representative list. For the full list, please reach out directly.

Upgrade candidates (top 15)						Downgrade candidates (top 15)							
ARDGRP	ARDONAGH GROUP	Financials	2,820	302	CCC2	3	KSS	KOHL'S STORES	Retail	1,287	469	B1	-3
HBCGN	HUB INTERNATION	Financials	5,725	177	B3	3	M	MACY'S RETAIL H	Retail	1,797	206	BB1	-3
SHEARE	FIESTA PURCHASE	Food	950	293	CCC2	3	CE	CELANESE US HOL	Chemicals	8,450	257	BB1	-3
TKCHOL	TKC HOLDINGS	Food	1,100	306	CCC2	3	PRAA	PRA GROUP INC	Financials	1,297	425	BB2	-3
SURCEN	SURGERY CENTER	Healthcare	800	241	CCC1	3	CC	CHEMOURS	Chemicals	2,498	414	B1	-3
ULTI	UKG INC	Services	2,500	210	B1	3	WBD	WARNERMEDIA HOL	Media	14,350	201	BB2	-3
EGBLFN	EG GLOBAL FINAN	Energy	1,100	191	B2	3	HILCRP	HILCORP ENERGY	Energy	4,900	331	BB2	-3
RGCARE	LIFEPOINT HEALT	Healthcare	3,900	265	CCC1	3	OLN	OLIN	Chemicals	1,785	215	BB1	-3
USSALT	SCIH SALT PRODU	Chemicals	1,800	200	CCC2	3	OPTICS	OPTICS BIDCO SP	Telecoms	2,000	294	BB1	-3
Total for top 15 candidates						39,703	Total for top 15 candidates						51,740

Source: BofA Global Research, ICE Data Indices, LLC. Disclaimer: The screen above is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. This screen was not created to act as a benchmark. Note: This screen is not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.

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Fallen Angels & Rising Stars

Rising stars continue to be the theme, with four names (\$2bn total) entering IG in Oct and RLGH Finance (\$1.25bn) this month. Commodity chemicals has been the top of fallen angel candidates list due to broad beta risk.

Exhibit 30: Rising star & Fallen angel actual/realized transitions

Rising Star: Δ OAS = difference between issuer OAS and the BBB index; Fallen Angel: Δ OAS = difference between issuer OAS and the BB index

Rising Star actual/realized transitions							Fallen Angel actual/realized transitions								
Date	Ticker	Name	Sector	Face	OAS	BBBs	Δ OAS	Date	Ticker	Name	Sector	Face	OAS	BBBs	Δ OAS
01/25	CASAVI	CASTLELAKE AVIATIO	Cap Goods	420		102		01/25	APTIV	APTIV PLC / GLO	Autos	500	92	166	-74
01/25	NWSA	NEWSCORP DOWJON	Media	1,500	127	102	25	02/25	CE	CELANESE US	Chemicals	7,150	156	182	-26
02/25	COTY	COTY	Retail	1,600	148	109	39	02/25	NSANY	NISSAN MOTOR AC	Autos	9,452	137	182	-45
02/25	WAL	WESTERN ALLIANC	Financials	600	229	109	120	05/25	WHR	WHIRLPOOL	Retail	3,150	171	197	-26
03/25	UAL	UNITED AIRLINES	Travel	3,932	219	120	99	06/25	JHXAU	JAMES HARDIE IN	Real Estate	400	89	171	-82
04/25	ISPIM	INTESA SANPAOLO	Financials	1,500	155	137	18	07/25	HUN	HUNTSMAN INTERN	Chemicals	1,500	219	174	45
04/25	UCGIM	UNICREDIT SPA	Financials	3,750	128	137	-9	07/25	WBD	WARNERMEDIA HOL	Media	14,351	203	174	29
05/25	CTREV	CARETRUST	Healthcare	400	153	116	37	08/25	BRKHEC	BERKSHIRE HATHA	Utilities	850	45	179	-134
05/25	DTMINC	DT MIDSTREAM	Energy	2,100	139	116	23	08/25	TCPC	BLACKROCK TCP C	Financials	325	239	179	60
05/25	OHNAT	CONSTELLATION INS	Financials	675	262	116	146								
05/25	RCL	ROYAL CARIBBEAN	Travel	9,700	146	116	30								
06/25	HASI	HA SUSTAINABLE	Energy	997	203	108	95								
07/25	VNOM	VIPER ENERGY PA	Energy	380	101	99	2								
08/25	VRT	VERTIV GROUP CO	Cap Goods	850	114	102	12								
09/25	CTECLN	180 MEDICAL	Healthcare	500	128	97	31								
09/25	LPX	LOUISIANA-PACIF	Real Estate	350	123	97	26								
10/25	ARIS	ARIS WATER HOLD	Energy	500	100	102	-2								
10/25	BRKHEC	BERKSHIRE HATHA	Utilities	476	45	102	-57								
10/25	GNL	GLOBAL NET LEAS	Financials	500	166	102	64								
10/25	RTL	AMERICAN FIN TR	Financials	500	156	102	54								
11/25	RESLIF	RLGH FINANCE BERMUDA LTD	Financials	1,250	159	102	57								
Weighted average/total ytd							32,480 153 116 38	Weighted average/total ytd							37,678 170 179 -10

Source: BofA Global Research, ICE Data Indices, LLC. Disclaimer: The screen above is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. This screen was not created to act as a benchmark. Note: This screen is not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.

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Exhibit 31: Rising Star & Fallen angel watchlist

Rising Star candidates: BB-rated issuers with lowest issuer-level CSI; Fallen Angel candidates: BBB-rated issuers with highest issuer-level CSI. This is a representative list. For the full list, please reach out directly.

Rising Star candidates						Fallen Angel candidates					
Ticker	Issuer	Sector	Rtg	Face	OAS	Ticker	Issuer	Sector	Rtg	Face	OAS
GFLCN	GFL ENVIRONMENT	Commercial Services	BB2	4,300	105	FMC	FMC	Commodity Chemicals	BBB3	3,250	287
USFOOD	US FOODS	Food	BB2	2,900	114	CHTR	CHARTER COMMS	Cable	BBB3	53,700	188
HLT	HILTON WORLDWID	Travel & Experiences	BB2	8,500	115	APA	APA CORP	E&P	BBB3	2,405	190
VIKCRU	VIKING CRUISES	Travel & Experiences	BB2	3,945	138	PARA	PARAMOUNT GLOBA	Media & Content	BBB3	14,656	201
HESM	HESS MIDSTREAM	Midstream	BB1	3,100	109	CNC	CENTENE	HMO	BBB3	15,677	170
IQV	IQVIA INC	Healthcare Technology	BB1	6,650	103	APODS	APOLLO DEBT SOL	Asset Managers	BBB3	2,893	184
LYV	LIVE NATION ENT	Travel & Experiences	BB2	2,950	126	OCINCC	BLUE OWL CREDIT	Asset Managers	BBB3	4,948	184
URI	UNITED RENTALS	Industrial Machinery	BB2	8,869	98	ANTHOL	ANTARES HOLDING	Asset Managers	BBB3	2,900	172
WCC	WESCO DISTRIBUT	Industrial Machinery	BB2	3,875	165	VTRS	VIATRIS	Pharma	BBB3	10,371	157
STX	SEAGATE DATA ST	Technology Hardware	BB2	2,852	131	ARESSI	ARES STRATEGIC	Asset Managers	BBB3	5,398	175
SEE	SEALED AIR	Packaging	BB2	3,501	127	HLEND	HPS CORPORATE L	Asset Managers	BBB3	4,194	177
PR	PERMIAN RESOURC	E&P	BB1	3,575	151	OWL	BLUE OWL FINANC	Asset Managers	BBB2	2,444	153
PPC	PILGRIM'S PRIDE	Food	BB1	3,106	121	SOBOCN	SOUTH BOW USA I	Midstream	BBB3	4,746	156
XYZ	BLOCK INC	Financial Technology	BB1	6,200	124	GBDC	GOLUB CAPITAL B	Asset Managers	BBB2	2,400	150
BALL	BALL	Packaging	BB1	4,906	129	COTY	COTY/HFC PRESTI	Staples/Food Retail	BBB3	2,150	163
Total				69,229	124	Total				132,133	182

Source: BofA Global Research, ICE Data Indices, LLC. Disclaimer: The screen above is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. This screen was not created to act as a benchmark. Note: This screen is not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.

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Defaults Tracker

Loan defaults were around \$47bn YTD, and HY defaults were around \$20bn, with average recovery at 58pts and 56pts respectively. HY has seen no defaults since September.

Exhibit 32: Recent defaults across bonds and loans

RR = recovery rates, average 30day prior to default; All = all seniorities; FLD = 1st Lien Debt; SRU = Sr Unsecured.

Ticker highlights proportional to frequency of appearance on our candidates watchlist 90 days prior to default. Note that our watchlist targets HY issuers, not loans.

YTD HY has defaulted \$20bn while BSL has defaulted \$47bn.

Date	Ticker	Name	Sector	Event	HY				BSL	
					Face	RR All	RR FLD	RR SRU	Face	RR All
07/25	RADIAT	RADIATE HOLDCO	Cable	Distressed exchange	1,900	74		64	3,309	87
07/25	LFSNGL	LIFESCAN GLOBAL CORPORAT	Healthcare	Bankruptcy					780	51
07/25	DELMFD	DEL MONTE FOODS INC.	Food Producers	Bankruptcy					571	56
08/25	SAGLEN	SAKS GLOBAL ENTERPRISES	Retail	Distressed exchange	2,149	24				
08/25	CUB	ATLAS CC ACQUISITION COR	Technology	Distressed exchange					1,704	72
08/25	SAVE	SPIRIT LOYALTY KY LTD	Travel	Bankruptcy	852	51	51			
08/25	ANABEV	ANASTASIA PARENT LLC	Retail	Payment Default					606	86
08/25	BROWHI	BW HOLDING INC.	Packaging/Paper	Distressed exchange					588	73
08/25	MODV	MODIVCARE INC	Healthcare	Bankruptcy					522	59
09/25	TRICGR	FIRST BRANDS GROUP	Autos	Bankruptcy					4,402	37
10/25	ASTACQ	ASTRA ACQUISITION CORP.	Financials	Bankruptcy					1,021	9
10/25	FLORFO	FLORIDA FOOD PRODUCTS LL	Food Producers	Distressed exchange					702	61
11/25	PCKHLD	PACKERS HOLDINGS LLC	Services	Payment Default					1,185	32
11/25	KPERST	KLEOPATRA FINCO S.A R.L.	Packaging/Paper	Bankruptcy					694	42
YTD total					20,205	62	67	56	47,082	58
2024 FY					20,689	55	59	52	56,125	60
2023 FY					33,838	41	51	45	41,290	46

Source: BofA Global Research

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Exhibit 33: Default candidates representative names

HY issuers with highest issuer-level CSI; FLTD: face likely to default - assumed amount written off in a restructuring (uses sliding scale based on the CSI value (100th = 1:1 full scale; 90th = 0:1 none)

Ticker	Issuer	Sector	Rating	Face	Price	CSI ▼	FLTD
ARDFIN	ARD PACKAGING	Packaging/Paper	C	961	1	0.999	961
LINTA	LIBERTY MEDIA	Media	CC	792	7	0.999	792
WSTC	WEST TECHNOLOGY GRP	Telecoms	CCC3	446	12	0.998	446
CISN	CASTLE US HOLDING CORP	Media	CC	272	15	0.996	272
NFE	NFE FINANCING LLC	Energy	CCC3	2,730	26	0.996	2730
ARGID	ARDAGH PACKAGING	Packaging/Paper	CC	1,801	25	0.995	1801
AFFGAM	AFFINITY GAMING	Gaming	CCC2	545	44	0.995	545
CUMINT	CUMULUS MEDIA NEW HLDGS	Media	CCC2	306	29	0.994	304
TSE	TRINSEO LUX/TRINSEO NA	Chemicals	CCC3	385	33	0.994	382
BRIEAS	BRIGHTLINE EAST LLC	Transportation	CCC1	1,119	34	0.993	1099
SAGLEN	SAKS GLOBAL ENTERPRS LLC	Retail	CC	1,381	36	0.993	1352
ALNMED	ALLEN MEDIA	Media	CCC3	630	42	0.993	616
NINE	NINE ENERGY SERVICE	Energy	CCC2	300	44	0.991	284
SPRIND	SWF ESCROW ISSUER	Retail	CC	383	35	0.990	358
INTLGR	SIGNAL PARENT	Real Estate	CCC3	290	35	0.990	267
LABL	MULTICOLOR LABELS	Packaging/Paper	CCC3	2,900	60	0.988	2531
TELSAT	TELESAT CANADA	Telecoms	CC	387	76	0.988	334
PRIMIN	PMHC II	Chemicals	CCC3	756	53	0.988	648
RAX	RACKSPACE FINANCE LLC	Technology	CCC1	319	41	0.986	250
UONE	URBAN ONE	Media	CCC2	488	51	0.986	379
LOGM	GOTO GROUP INC	Technology	CCC2	780	57	0.985	584
GPSHOH	GPS HOSPITALITY HOLDING	Travel	CCC2	400	55	0.984	286
TRUK	REAL HERO MERGER SUB 2	Autos	CCC2	600	60	0.983	383
QVCN	QVC INC	Retail	CCC1	1,305	43	0.979	568
FXIHL	FOAMEX FXI	Chemicals	CCC3	1,232	86	0.977	426
ACPROD	ACPRODUCTS CABINETS	Real Estate	CC	498	60	0.975	145
OBEBLD	OSCAR ACQUISITIONCO	Real Estate	CCC2	585	72	0.975	161
XRRCRP	XEROX	Services	CCC1	600	32	0.970	90
BALY	BALYS PREMIER ENT	Gaming	CCC2	1,485	58	0.969	223
CSCHLD	ALTICE USA	Cable	CC	16,831	61	0.967	2525

Source: BofA Global Research, ICE Data Indices, LLC. Disclaimer: The screen above is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. This screen was not created to act as a benchmark. Note: This screen is not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.

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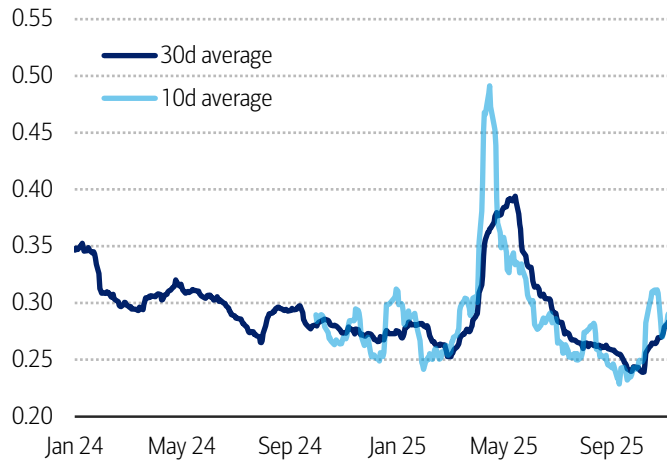
Liquidity Tracker

Telecoms (Uniti), Packaging/Paper (O-I Glass), and Healthcare (Bausch, Community Health, Organon) were the most actively traded sectors relative to their recent averages. Bid-ask spreads averaged at 0.28pt this week, narrowed from 0.29pt last week.



Exhibit 34: HY effective bid-ask spreads, pts

Effective bid-asks are measured on actual round-trip trades. It averaged at 0.28pt this week, narrowed from 0.29pt last week.

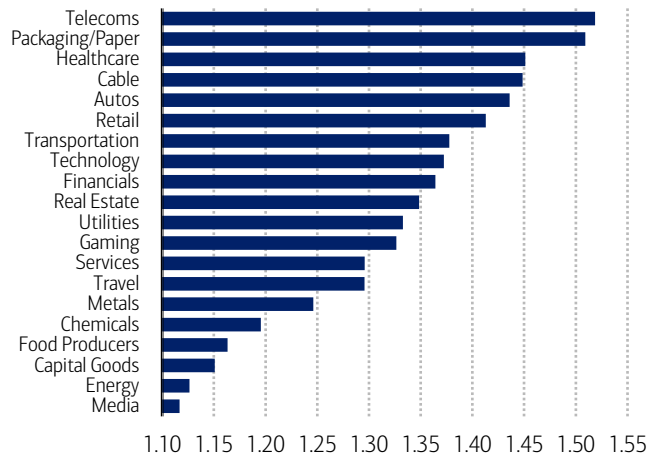


Source: BofA Global Research, FINRA Trace

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Exhibit 35: Sector-level daily avg trading volume

L1wk daily avg trading volume divided by L3mo. Telecoms was the most actively traded sector, with L1wk volume at 1.5x of L3mo.



Source: BofA Global Research, FINRA Trace

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Market Recap: USD Loans

Return Summary

Loan index total return is currently 0.02% WTD with income offset by -0.1pt decline in avg bid price. CCCs sold off this week as avg bid price fell -0.5pts (-0.47% TR) while Bs and BBs were flat. On a YTD basis, BBs and Bs lead with +5.09% & +5.06% TR, compared to overall index (4.88%) while CCCs are lagging with 2.77%.

Exhibit 36: Loan total return, bps

Loans have returned 4.88% YTD

	YTD	MTD	WTD	10/31	10/24
All Loans	488	2	2	24	24
BB	509	4	4	17	21
B	506	5	5	28	26
CCC	277	-47	-47	19	18

Source: BofA Global Research, LCD

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Exhibit 37: Loan index prices (pts)

Loan index is currently at 96.7pts

	Level	WTD	10/31	10/24	10/17
All Loans	96.6 pts	-0.08	+0.12	+0.09	-0.07
BB	99.2 pts	-0.05	+0.05	+0.09	-0.02
B	97.8 pts	-0.07	+0.14	+0.10	-0.08
CCC	79.1 pts	-0.48	+0.27	+0.19	+0.42

Source: BofA Global Research, LCD

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Supply and Demand

The week so far has seen \$6bn in Demand, driven by \$2.7bn in Coupons followed by \$3bn in CLO issuance and \$205mn in retail inflows. On the supply side, we've seen new issuance of \$2.3n offset by \$1.6bn in repayments, leaving us with \$5.3bn in Demand net Supply WTD. YTD Demand net Supply is currently \$83.7bn, down -43% vs. its level at this time last year.

Exhibit 38: USD Loan supply and demand components (\$mn)

YTD demand net of supply stands at \$83.7bn

	YTD	WTD	10/31	10/24	10/17
Retail flows (a)*	-9,449	205	-204	-128	-550
CLO creation (b)**	134,613	3,077	5,380	1,527	4,169
Coupons (c)	98,455	2,721	3,632	1,625	1,658
Demand (a+b+c)	223,620	6,004	8,808	3,024	5,277



Exhibit 38: USD Loan supply and demand components (\$mn)

YTD demand net of supply stands at \$83.7bn

Issuance (excluding CLO)	2024	2023	2022	2021	2020
Repayments (f)	260,513	1,634	6,685	9,803	8,849
Net Supply (e-f)	139,924	715	809	-4,157	-4,286
Demand net of Supply	83,696	5,289	7,999	7,181	9,563

Source: BofA Global Research, LCD, LevFin Insights, EPFR**Note:** *Retail flows include only Open-End funds and ETFs which primarily hold Broadly Syndicated Loans and does not include CLO ETFs. YTD Retail flows include additional funds which publicly report on a monthly (rather than daily) basis, whereas WTD & weekly flows include only funds which publicly report daily. **CLO creation does not adjust for liquidations.

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WTD flows are +\$205mn to BSL funds, consisting of +\$105mn to Open-Ends and +\$101mn to ETFs. Separately, CLO ETFs have seen -\$134mn in outflows WTD. YTD flows are negative across Loan Open-Ends (-\$5.7bn) & ETFs (-\$3.8bn), and positive for CLO ETFs (+\$13.8bn).

Exhibit 39: USD Loan fund flows (\$mn)

Flows into Loan Open-Ends, ETFs, and CLO ETFs

Asset	YTD	MTD	WTD	10/31	10/24	10/17
Open-End	-5,665	+105	+105	-173	-195	+60
Loan ETF	-3,783	+101	+101	-31	+67	-609
CLO ETF	+13,773	-134	-134	+65	+13	-531

Source: BofA Global Research, Bloomberg, EPFR**Note:** Open-End and Loan ETF flows include only funds which primarily hold Broadly Syndicated Loans. YTD Retail flows include additional funds which publicly report on a monthly (rather than daily) basis, whereas WTD, weekly, & MTD flows include only funds which report daily.

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Over the past seven days, we've observed \$6.2bn in USD Loan new issuance. 62% by notional was for acquisition and 30% was for dividend. YTD global and US issuance totals \$490.1bn and \$400.4bn, with a total of 739 and 545 loans launched respectively in the primary market thus far. In comparison, YTD '24 brought in \$512bn global issuance across 760 loans and \$444bn US issuance across 605 loans. YTD Repricings amount to \$462bn, a -2% increase from \$470bn in YTD 2024.

Exhibit 40: USD Loan new money issuance

List of USD Loan deals over last seven days

Launch Date	Issuer	New Institutional Money	Rating	Purpose	Sector	Country
11/4/2025	Darktrace Holdings Limited	750	B	Dividend	Computers & Electronics	United Kingdom
11/4/2025	Equiniti	299	B	Refinancing	Services & Leasing	United Kingdom
11/4/2025	Interstate Waste Services Inc	100	B	Acquisition	Environmental	United States
11/3/2025	Veeam Software	900	B	Acquisition	Computers & Electronics	United States
11/3/2025	Ahead DB	300	B	Dividend	Computers & Electronics	United States
10/30/2025	Allison Transmission Holdings Inc	1,200		Acquisition	Automotive	United States

Source: BofA Global Research, LCD

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Defaults and Downgrades

Two new defaults were recorded this week, including a \$1.2bn Loan from Services issuer Packers Holdings and a \$700mn Loan from Packaging/Paper issuer Kleopatra Finco. Over the past four weeks, we've observed 4 Loans default across 3 distinct issuers, totaling \$2.4bn in nominal default volume. Despite the two new defaults, LTM default rate ended the week slightly lower, now 3.8% by par and 3.9% by issuer as \$3.2bn in defaulted par from this time last year exited the rolling 12M calculation.

Exhibit 41: USD Defaults over last four weeks

List of USD Loan default events over last four weeks

Default Date	Issuer	Ticker	Sector	Face	Maturity
11/05/2025	Kleopatra Finco S.a.r.l.	KPERST	Packaging/Paper	694	2/12/2026



Exhibit 41: USD Defaults over last four weeks

List of USD Loan default events over last four weeks

Default Date	Issuer	Ticker	Sector	Face	Maturity
11/05/2025	Packers Holdings LLC	PCKHLD	Services	1,185	3/9/2028
10/17/2025	Florida Food Products LLC	FLORFO	Food Producers	428	10/18/2028
10/17/2025	Florida Food Products LLC	FLORFO	Food Producers	126	10/18/2029

Source: BofA Global Research, LCD

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Over the past month, we have seen rating actions across 16 distinct issuers. A total of 11 issuers were downgraded by -14 notches (\$10bn notional), and 5 issuers were upgraded by 6 notches (\$4bn notional). In terms of sectors, Services represented 49% of total downgrades by notional, followed by Technology (12%) and Financials (12%). Of the upgrades, 45% by notional value was in Capital Goods, followed by 36% in Healthcare and 19% in Real Estate. Over the past month, downgrades have outweighed upgrades by \$5.7bn.

Exhibit 42: USD Loan rating migrations

List of USD Loan upgrades and downgrades over last four weeks

RatingDate	Issuer	Ticker	Sector	Face	Maturity	Rating Action	Current Rating	Notches
11/5/2025	Xerox Corp	XRRCRP	Services	707	11/17/2029	Downgrade	B	(1)
11/5/2025	US Renal Care Inc	USRENA	Healthcare	1,460	6/20/2028	Upgrade	B-	1
11/3/2025	Entertainment Partners	EPPURC	Technology	820	11/6/2028	Downgrade	B	(1)
11/3/2025	Entertainment Partners	EPPURC	Technology	325	11/6/2028	Downgrade	B	(1)
11/3/2025	Consolidated Energy Limited	CONSEN	Chemicals	734	11/15/2030	Downgrade	CCC+	(2)
10/30/2025	Northrivers Midstream Finance LP	NORMID	Energy	802	8/16/2030	Downgrade	BB-	(1)
10/30/2025	Ryan LLC	RYNLLC	Services	1,616	11/14/2030	Downgrade	B	(1)
10/30/2025	Stats Intermediate Holdings LLC	STATSL	Services	377	7/10/2026	Downgrade	CCC	(1)
10/30/2025	Tricor Group LLC	THEVEL	Services	1,371	6/18/2029	Downgrade	B	(1)
10/23/2025	Alliance Laundry Systems LLC	ALH	Capital Goods	1,415	8/19/2031	Upgrade	BB-	2
10/23/2025	Emerald EMS	EMEEMS	Autos	243	12/29/2027	Downgrade	CCC	(1)
10/23/2025	Janus International Group	JANINT	Real Estate	552	8/3/2030	Upgrade	BB	1
10/23/2025	Novaria Group	NOVHLD	Capital Goods	406	6/6/2031	Upgrade	B	1
10/23/2025	Raising Cane's Restaurants LLC	RZNCAN	Travel	495	9/18/2031	Downgrade	BB-	(1)
10/23/2025	United Natural Foods	UNFI	Food Producers	383	5/1/2031	Downgrade	B	(1)
10/16/2025	Mannington Mills	MANNIN	Real Estate	222	3/25/2032	Upgrade	B+	1
10/16/2025	Orion Advisor Solutions	NORTST	Financials	1,140	9/24/2030	Downgrade	B-	(1)
10/16/2025	Xerox Corp	XRRCRP	Services	707	11/17/2029	Downgrade	B+	(1)

Source: BofA Global Research, LCD

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Performance Breakdown

Exhibit 43 shows a detailed breakdown of performance drivers within the USD loan space. We look at market subsets by broad and narrow ratings, as well as by sectors. For each subset we list metrics encompassing market structure, returns, spreads, prices and yields, both with and without the forward curve. We also have a section on constant constituents, which eliminates any impact from a change of constituents to generate the organic performance of each subset of the market.

Entries in the table are formatted along a green-red color-axis, with color scales grouped and formatted separately for each combination of time period (WTD, MTD, YTD) and metric (TR, 3yrDM, Price). Color scales are also formatted separately for each of the market subsets: Broad Rating, Narrow Rating, and Sectors. Values for All Loans are color-formatted along the same color-axis as Broad Rating.



Exhibit 43: USD Loan valuations and performance by Rating and Sector

Breakdown of WTD, MTD, and YTD changes in price, spread, and total return across ratings and sectors

November 5, 2025	Characteristics		Total Return			3yr DM				Price				YTM spot	3yr Yield	Constant Constituent		
			WTD	MTD	YTD	Current	WTD	MTD	YTD	Current	WTD	MTD	YTD	w/o curve	w/ curve	Total Return	3yr DM	Price
	Count	% by par	(bps)	(bps)	(bps)	(bps)	(bps)	(bps)	(bps)	(pts)	(pts)	(pts)	(pts)	(%)	(%)	WTD	WTD	WTD
All Loans	1,296	100%	2	2	494	431	2	2	7	97.1	-0.1	-0.1	-0.7	8.1	7.7	5	3	-0.1
BBB Loans	75	6%	11	11	537	183	-1	-1	-4	100.1	0.0	0.0	-0.1	5.9	5.2	11	-1	0.0
BB Loans	323	24%	4	4	509	273	2	2	18	99.2	-0.1	-0.1	-0.9	6.7	6.1	4	2	-0.1
B Loans	780	62%	5	5	534	427	3	3	1	97.8	-0.1	-0.1	-0.7	8.1	7.6	5	2	-0.1
All Cs	118	6%	-45	-45	184	1,489	12	12	100	79.1	-0.2	-0.2	-1.3	19.2	18.3	-43	29	-0.5
BBB-	73	6%	11	11	537	183	-1	-1	-4	100.1	0.0	0.0	-0.1	5.9	5.2	11	-1	0.0
BB+	64	4%	10	10	546	208	2	2	-3	99.9	0.0	0.0	-0.1	6.1	5.5	10	-1	0.0
BB	100	7%	5	5	489	238	2	2	-20	99.6	0.0	0.0	-0.5	6.4	5.8	4	2	0.0
BB-	159	12%	1	1	513	317	3	3	48	98.8	-0.1	-0.1	-1.4	7.1	6.5	1	3	-0.1
B+	157	12%	-1	-1	532	326	3	3	-30	99.2	-0.1	-0.1	-0.1	7.2	6.6	-1	4	-0.1
B	330	28%	12	12	574	385	0	0	-12	98.8	0.0	0.0	-0.4	7.8	7.2	12	-1	0.0
B-	293	22%	-1	-1	486	538	6	6	41	95.7	-0.1	-0.1	-1.6	9.2	8.8	-1	5	-0.1
All Cs	118	6%	-45	-45	184	1,489	12	12	100	79.1	-0.2	-0.2	-1.3	19.2	18.3	-43	29	-0.5
Autos	46	4%	10	10	461	449	-1	-1	-54	96.7	0.0	0.0	0.2	8.3	7.9	11	0	0.0
Cable	27	2%	9	9	611	459	1	1	34	96.9	0.0	0.0	0.2	8.5	8.0	9	1	0.0
Capital Goods	85	7%	4	4	529	404	2	2	12	97.4	-0.1	-0.1	-1.1	7.9	7.4	2	3	-0.1
Chemicals	60	3%	-24	-24	-27	662	9	9	252	91.9	-0.2	-0.2	-6.6	10.1	10.0	-24	14	-0.3
Energy	50	3%	11.97	12	465	363	0	0	22	97.7	0.0	0.0	-2.2	7.5	7.0	12	-1	0.0
Financials	119	13%	11	11	596	318	0	0	-4	99.4	0.0	0.0	-0.3	7.2	6.6	11	0	0.0
Food Producers	42	3%	24	24	398	329	-9	-9	-160	99.5	0.2	0.2	3.2	7.3	6.7	25	-5	0.1
Gaming	25	2%	13	13	516	324	-1	-1	36	98.7	0.0	0.0	-1.1	7.2	6.6	13	-1	0.0
Healthcare	118	10%	11	11	599	415	0	0	-22	97.8	0.0	0.0	0.0	8.0	7.5	11	0	0.0
Media	62	4%	-5	-5	477	641	7	7	151	94.4	-0.2	-0.2	-2.6	10.2	9.8	-6	7	-0.2
Metals	17	1%	11	11	502	382	0	0	43	98.1	0.0	0.0	-1.6	7.7	7.2	11	0	0.0
Packaging/Paper	30	2%	-93	-93	408	470	-3	-3	68	96.9	0.0	0.0	-1.9	8.6	8.1	-95	40	-1.0
Real Estate	94	6%	-12	-12	592	378	8	8	16	98.0	-0.2	-0.2	-0.9	7.7	7.2	-11	8	-0.2
Retail	82	6%	-10	-10	441	490	8	8	3	95.8	-0.2	-0.2	-1.0	8.6	8.3	-8	8	-0.2
Services	115	8%	11	11	559	429	-2	-2	-8	97.2	0.0	0.0	-0.6	8.1	7.7	11	0	0.0
Technology	164	14%	2	2	426	556	4	4	16	94.4	-0.1	-0.1	-0.8	9.2	8.9	2	3	-0.1
Telecoms	26	2%	13	13	906	558	1	1	-114	95.1	0.1	0.1	2.0	9.3	9.0	14	-1	0.0
Transportation	26	1%	15	15	548	363	-2	-2	22	98.2	0.1	0.1	-1.0	7.5	7.0	16	-2	0.1
Travel	74	6%	7	7	553	308	8	8	2	99.1	-0.2	-0.2	-0.4	7.0	6.5	6	1	0.0
Utilities	33	2%	12	12	597	253	-1	-1	-43	100.1	0.0	0.0	-0.3	6.6	5.9	12	-1	0.0

Source: BofA Global Research, LCD

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Media issuer MH Sub I led the declines this week (-11.6pts), followed by Retail issuer Medical Solutions (-11pts) and Packaging/Paper issuer Domtar (-10pts). On the upside, Telecoms issuer GoTo Group led the increases (+4pts), followed by Great Canadian Gaming (+3.8pts) and Technology issuer Imagine Learning/AZ (+3.8pts).

Exhibit 44: Top Loan Movers

Largest price movements over last 7 days

CUSIP	Issuer	Industry	Amt Out (\$mn)	Margin (bps)	Maturity	Loan Rtg (MDY/S&P)	Price (pts)	Price Chg (pts)
Largest price declines for the week ended 11/5								
55303BAD	MH Sub I	Media	575	S+ 625	2029-02-23	Caa1/CCC+	69.4	-11.6
58462QAH	Medical Solutions	Retail	1,210	S+ 325	2028-11-01	Caa2/CCC+	17.0	-11.0
25755FAK	Domtar	Packaging/Paper	312	S+ 550	2028-11-30	B2/B	74.0	-10.0
C0564DAB	Balcan Innovations	Packaging/Paper	458	S+ 475	2031-10-18	B2/B	85.0	-8.5
	Altium Packaging	Packaging/Paper	1,136	S+ 250	2031-06-11	-/B+	90.5	-7.3
50168EAN	LABL	Packaging/Paper	1,602	S+ 500	2028-10-29	B3/CCC+	70.7	-6.3



Exhibit 44: Top Loan Movers

Largest price movements over last 7 days

CUSIP	Issuer	Industry	Amt Out (\$mn)	Margin (bps)	Maturity	Loan Rtgs (MDY/S&P)	Price (pts)	Price Chg (pts)
14835JAJ	Cast & Crew	Technology	1,393	S+ 375	2028-12-29	Caa1/B-	76.3	-4.9
47579SAV	JELD-WEN	Real Estate	377	S+ 200	2028-07-28	B1/B+	90.1	-4.9
63689EAW	National Mentor	Healthcare	180	S+ 725	2029-03-02	Caa2/CCC	93.5	-4.3
	INEOS US Finance	Chemicals	2,355	S+ 325	2030-02-18	-/BB-	82.1	-3.9
Largest price increases for the week ended 11/5								
38349FAD	GoTo Group	Telecoms	945	S+ 475	2028-04-28	Caa2/-	37.0	+4.0
C4111RAG	Great Canadian Gaming	0	525	S+ 475	2029-11-01	-/B	98.9	+3.8
94935RAF	Imagine Learning/AZ	Technology	908	S+ 350	2029-12-21	B2/B	92.6	+3.8
38349FAC	GoTo Group	Telecoms	989	S+ 475	2028-04-28	B2/-	86.5	+3.5
28608EAE	Electronics For Imaging	Technology	272	S+ 500	2028-07-21	WR/CCC+	69.6	+2.9
42804VBD	Hertz/The	Autos	491	S+ 375	2028-06-30	Ba3/B	84.5	+2.3
	Flora Food Management US	Food Producers	1,428	S+ 375	2028-01-03	-/B	95.6	+2.1
52706YAJ	Leslie's Poolmart	Retail	757	S+ 275	2028-03-09	Ca/CCC+	37.0	+2.1
74006LAS	Pre-Paid Legal Services	Services	1,152	S+ 325	2028-12-15	B3/B-	92.9	+1.9
74880TAG	Quirch Foods	Food Producers	693	S+ 475	2027-10-27	Caa2/B-	98.5	+1.8

Source: BofA Global Research, LCD

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Capital Structure Relative Value

Below Exhibit 45 includes 1L Loans and Secured bonds from an issuer. For issuers with more than one loan/bond, a representative loan/bond is selected based on the highest face value. Pairs are filtered for minimum 0.5% YTM Diff between loans and bonds in either direction, and the following linear relationship b/w YTM diff and Price diff: for any YTM diff, Price diff can be at most (YTM Diff)/2. For example, if the YTM diff is 1%, the Price diff should be < 0.5pts for the pair to make the list. Pairs are sorted in ascending order of YTM diff.

Exhibit 45: Capital structure relative value, Loans vs Secured Bonds

List of 20 most dislocated unsecured bond-loan pairs from the same issuer

Ticker	Issuer	Sector	Loan			Bond			Bond minus Loan		
			Face Value	Rating	Maturity	Face Value	Rating	Maturity	Spread Diff	Price Diff	YTM Diff
ADVSA	Advantage Sales and Marketing	Media	1,096	B	10/28/2027	595	B-	11/15/2028	(117)	(1.37)	(4.46)
HTZ	Hertz	Autos	1,245	B	6/30/2028	1,250	B+	7/15/2029	(172)	16.05	(3.42)
SBGI	Sinclair Broadcast Group	Media	728	B-	12/31/2030	1,430	B	2/15/2033	(476)	11.50	(3.39)
VSAT	ViaSat	Telecoms	677	B+	3/2/2029	600	BB-	4/15/2027	(300)	0.66	(3.10)
INEGRP	Ineos Group Ltd	Chemicals	2,355	BB-	2/18/2030	725	BB-	4/15/2029	(397)	8.22	(3.01)
IHRT	iheartMedia	Media	2,130	CCC+	5/1/2029	718	CCC+	5/1/2029	(239)	3.55	(2.65)
OGN	Organon & Co.	Healthcare	1,543	BB	5/19/2031	2,100	BB	4/30/2028	(313)	4.10	(2.28)
TKCHOL	TKC Holdings	Food Producers	491	B	5/15/2028	425	B	5/15/2028	(307)	0.17	(2.21)
CRASHC	Crash Champions LLC	Autos	913	B-	2/23/2029	600	CCC+	2/15/2029	(162)	4.12	(2.00)
ONGAME	One Toronto Gaming	Gaming	1,228	B-	8/1/2030	400	B-	8/1/2030	(238)	4.67	(1.85)
PSDO	Presidio Inc	Technology	1,839	B	6/27/2031	750	B	6/1/2031	(96)	4.54	(0.54)
QNTLE	Qnity Electronics	Chemicals	2,350	BB+	8/12/2032	1,000	BB+	8/15/2032	(67)	1.26	(0.52)
TNETBB	Telenet Communications NV	Cable	2,295	BB-	4/30/2028	1,000	BB-	3/1/2028	(36)	(0.05)	(0.51)
ZAYO	Zayo Group LLC	Telecoms	527	B-	3/25/2030	1,140	B-	3/9/2030	(101)	(2.06)	0.50
AHLMUN	Munksjo	Packaging/Paper	1,236	B-	2/4/2028	305	B	2/4/2028	(99)	(3.27)	0.73
DTV	DirectTV	Cable	1,222	B+	8/2/2029	2,074	BB-	2/15/2031	112	(1.32)	1.05
ZIGGO	Ziggo BV	Cable	2,583	B+	1/31/2029	1,525	BB-	1/15/2032	(64)	(7.73)	1.26
BGS	B&G Foods Inc	Food Producers	450	B+	10/10/2029	799	B	9/15/2028	190	(2.29)	1.74
IONPLA	ION Platform	Financials	2,302	B+	9/30/2032	1,500	B	9/30/2032	(81)	(0.05)	1.83
AMC	AMC Entertainment Inc	Media	1,999	B	1/4/2029	360	CCC	2/15/2029	266	(15.19)	2.33

Source: BofA Global Research, LCD, ICE Data Indices LLC, Bloomberg

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Exhibit 11 shows dislocated 1L Loans and Senior Unsecured bonds from an issuer. For issuers with more than one loan/bond, a representative loan/bond is selected based on



the highest face value. Pairs are filtered for Spread difference <-50bps OR >+200bps. Pairs are sorted in ascending order of YTM diff.

Exhibit 46: Capital structure relative value, Loans vs Unsecured Bonds

List of 20 most dislocated unsecured bond-loan pairs from the same issuer

Ticker	Issuer	Sector	Loan			Bond			Bond minus Loan		
			Face Value	Rating	Maturity	Face Value	Rating	Maturity	Spread Diff	Price Diff	YTM Diff
HTZ	Hertz	Autos	1,245	B	6/30/2028	500	CCC	12/1/2026	(658)	12.70	(8.45)
UNFI	United Natural Foods	Food Producers	383	B	5/1/2031	500	CCC	10/15/2028	(237)	(0.32)	(1.95)
GFLCN	GFL Environmental Services	Services	2,150	B	2/4/2032	750	BB-	8/1/2028	(134)	(2.29)	(1.64)
FYBR	Frontier Communications Corp	Telecoms	1,017	B	7/1/2031	300	BB+	2/1/2028	(125)	4.03	(1.61)
BHCCN	Bausch Health Companies Inc	Healthcare	2,993	B	9/25/2030	643	CCC-	1/31/2027	(144)	0.44	(1.59)
CSWHOL	C&S Wholesale Grocers Inc	Food Producers	400	B	8/6/2030	400	CCC+	12/15/2028	(140)	(6.31)	(1.52)
PBI	Pitney Bowes	Services	612	BB	3/19/2032	356	B	3/15/2027	(206)	0.97	(1.37)
TNL	Travel + Leisure	Travel	869	BB-	12/14/2029	400	BB	4/1/2027	(120)	0.97	(1.35)
NXST	Nexstar Broadcasting Group Inc	Media	1,297	BBB-	6/24/2032	1,000	BB-	11/1/2028	(95)	(1.75)	(1.15)
VSCO	Victoria's Secret	Retail	384	BB+	8/2/2028	600	B+	7/15/2029	(89)	(4.77)	(1.14)
HBI	HanesBrands Inc	Retail	1,095	BB-	3/7/2032	600	B	2/15/2031	(134)	5.18	0.99
MIK	Michaels Stores Inc	Retail	1,867	B-	4/15/2028	968	CCC	5/1/2029	214	(6.60)	1.26
CSCHLD	Cablevision Systems	Cable	2,828	CCC+	4/15/2027	1,310	CCC+	4/15/2027	444	(2.15)	1.49
CABO	Cable One Inc	Cable	742	BB-	5/3/2028	613	B	11/15/2030	225	(17.37)	1.62
SCGALO	Scientific Games Lottery	Gaming	2,048	B	4/4/2029	800	B-	3/1/2030	235	(8.88)	2.03
DEATIR	Dealer Tire LLC	Retail	1,468	B-	7/2/2031	500	CCC	2/1/2028	264	(2.23)	2.44
DEXAXL	Dexter Axle Company	Autos	1,023	B-	10/4/2028	652	CCC	10/15/2029	292	(12.04)	2.50
PSLOGI	PS Logistics	Transportation	459	B	9/29/2028	300	CCC+	10/15/2029	291	(7.13)	2.59
WLSNRT	WilsonArt LLC	Real Estate	1,049	B	8/5/2031	500	CCC	8/15/2032	294	(3.54)	3.32
GTN	Gray Television Inc	Media	739	B+	12/1/2028	1,219	CCC	11/15/2031	652	(32.35)	6.32

Source: BofA Global Research, LCD, ICE Data Indices LLC, Bloomberg

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CLO Spreads and Arbitrage

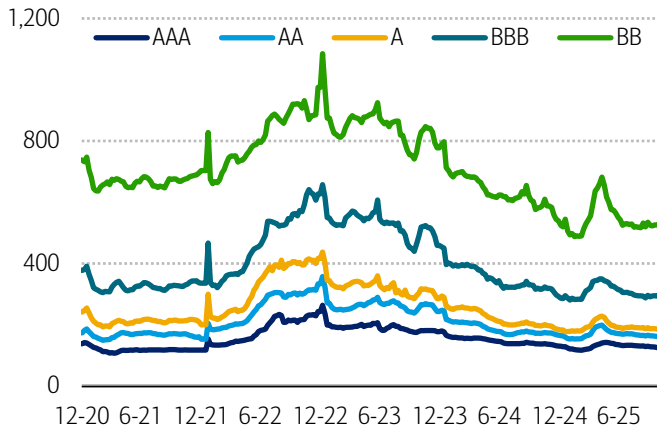
As of 10/31, AAA CLO primary spreads are at 126bps, down from May peak levels above 140bps (Exhibit 47). Arbitrage as of 10/24 is 198bps, down from its April peak of 233bps (Exhibit 48).

Exhibit 47 shows CLO spread levels by tranches. CLO arbitrage is a widely followed statistic in the loan market and represents the theoretical spread that managers can capture by issuing CLOs. Exhibit 48 compares CLO asset (Loan) spreads to the weighted average spreads of CLO liabilities. The difference between these two values is the theoretical arbitrage and represents the current attractiveness of creating new CLOs. Our asset pricing is based on both primary (higher weight) and secondary loans, and liability pricing is based on the most current CLO primary pipeline from LevFin Insights.



Exhibit 47: US CLO 2.0/3.0 primary spread level (bps)

Primary CLO spreads have declined materially from '22 peak

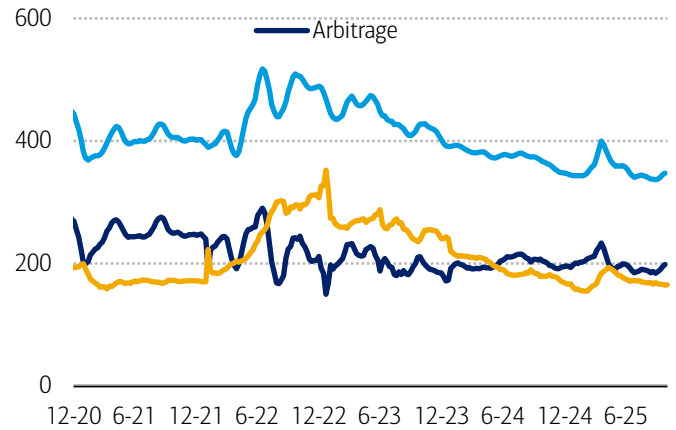


Source: BofA Global Research, LevFin Insights

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Exhibit 48: CLO Arbitrage (bps)

CLO arbitrage has remained at YE '24 levels



Source: BofA Global Research, LevFin Insights

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Market Recap: EUR Loans

WTD EUR Loan index has returned +0.10% with Bs outperforming BBs. YTD EUR Loan index has returned 3.08%, underperforming 4.88% of USD Loan index. WTD we see one €100mn new issuance from Syclef Holding SAS for refinancing purpose. YTD EUR new issuance totals €88.4bn, up 42% vs €62.3bn at this time last year. Over the past 7 days, we have not observed any downgrades/upgrades. In terms of WTD TR, Metals (+0.65%), Food producers (+0.25%), and Healthcare (+0.21%) have outperformed while Packaging/paper (-0.45%), Retail (-0.13%) and Chemicals (-0.11%) have lagged. Market data below is through Wed 11/05.

Returns Summary

WTD EUR Loan index has returned +0.10%. Bs (0.11%) outperformed BBs (-0.08%). WTD EUR Loan index price has increased +0.01pts. YTD EUR Loan index return is at 3.08%, underperforming USD Loan index at 4.88%.

Exhibit 49: EUR Loan total return

YTD EUR Loan index return is at 3.08%

	YTD	MTD	WTD	10/31	10/24
All Loans	308	10	10	19	24
BB	292	-8	-8	8	54
B	331	11	11	18	29

Source: BofA Global Research, LCD

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Exhibit 50: EUR Loan index prices (pts)

EUR Loan index price is currently at 96.6pts

	Level	WTD	10/31	10/24	10/17
All Loans	96.6 pts	+0.01	+0.09	+0.17	-0.13
BB	98.4 pts	-0.13	+0.07	+0.44	+0.04
B	97.9 pts	+0.03	+0.05	+0.19	-0.15

Source: BofA Global Research, LCD

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New EUR Loan Issuance

This week has seen €100mn in new EUR Loan issuance from Syclef Holding SAS for refinancing purpose.



Exhibit 51: EUR Loan new money issuance

This week has seen €100mn in new EUR Loan issuance from 1 deal

Launch Date	Issuer	New Institutional Money	Rating	Purpose	Sector	Country
11/3/2025	Syclef Holding SAS	100	B	Refinancing	Manufacturing & Machinery	France

Source: BofA Global Research, LCD

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EUR Upgrades/Downgrades

Over the past 7 days, we have observed no downgrades or upgrades. Over the past 4 weeks we have observed 1 \$1.9bn downgrade from B&B Hotels and 1 \$2.3bn upgrade from Verisure AB.

Exhibit 52: EUR Loan rating migrations

Over the past four weeks we have observed 1 upgrade and 1 downgrade

RatingDate	Issuer	Ticker	Sector	Face (USD)	Maturity	Rating Action	Current Rating	Notches
10/23/2025	Verisure AB	VERISR	Services	2,296	3/27/2028	Upgrade	BB+	3
10/16/2025	B&B Hotels	BBHOTL	Travel	1,894	3/21/2031	Downgrade	B-	(1)

Source: BofA Global Research, LCD

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Performance Breakdown

Exhibit 53 shows a detailed breakdown of performance drivers within the EUR loan space, which we adopt the same methodology as used for USD loan valuations table in Exhibit 43.

Exhibit 53: EUR Loan valuations and performance by Rating and Sector

Breakdown of WTD, MTD, and YTD changes in price, spread, and total return across ratings and sectors

November 5, 2025	Characteristics		Total Return			3yr DM				Price				YTM spot	USD eqv	3yr Yield	Constant Constituent		
			WTD (bps)	MTD (bps)	YTD (bps)	Current (bps)	WTD (bps)	MTD (bps)	YTD (bps)	Current (pts)	WTD (pts)	MTD (pts)	YTD (pts)	w/o curve (%)	w/o curve (%)	w/ curve (%)	Total Return (bps)	3yr DM (bps)	Price (pts)
All Loans	386	100%	10	10	309	491	-1	-1	19	96.9	0.0	0.0	-1.2	6.6	8.6	8.3	11	-1	0.0
BBB Loans	2	0%	10	10	415	251	-1	-1	-35	100.2	0.0	0.0	0.1	4.5	6.6	5.9	10	-1	0.0
BB Loans	52	13%	-8	-8	290	360	5	5	32	98.4	-0.1	-0.1	-1.7	5.4	7.4	7.0	-8	6	-0.2
B Loans	308	77%	12	12	370	457	-1	-1	-1	97.9	0.0	0.0	-0.7	6.4	8.4	7.9	12	-1	0.0
All Cs	24	5%	56	56	201	1,701	-25	-25	420	75.4	0.4	0.4	-7.2	18.8	20.8	20.4	57	-22	0.3
BBB-	2	0%	10	10	415	251	-1	-1	-35	100.2	0.0	0.0	0.1	4.5	6.6	5.9	10	-1	0.0
BB+	7	3%	5	5	404	274	0	0	-62	100.0	0.0	0.0	-0.3	4.7	6.7	6.1	5	0	0.0
BB	12	2%	-18	-18	260	297	9	9	-36	99.2	-0.3	-0.3	-1.0	4.9	6.9	6.3	-18	9	-0.2
BB-	33	8%	-11	-11	287	414	5	5	91	97.6	-0.1	-0.1	-2.5	5.9	7.9	7.5	-11	7	-0.2
B+	51	14%	20	20	463	362	-3	-3	-50	99.6	0.1	0.1	0.8	5.6	7.6	7.0	20	-5	0.1
B	168	44%	15	15	436	396	-3	-3	-16	99.3	0.1	0.1	-0.4	5.9	7.9	7.3	15	-3	0.1
B-	89	19%	-3	-3	136	681	2	2	113	93.4	-0.1	-0.1	-3.1	8.5	10.5	10.2	-3	5	-0.1
All Cs	24	5%	56	56	201	1,701	-25	-25	420	75.4	0.4	0.4	-7.2	18.8	20.8	20.4	57	-22	0.3
Autos	11	3%	11	11	504	374	-1	-1	-84	98.8	0.0	0.0	0.3	5.6	7.6	7.1	12	-1	0.0
Cable	7	2%	13	13	429	532	-2	-2	59	95.2	0.0	0.0	-1.3	7.2	9.3	8.7	13	-2	0.0
Capital Goods	27	6%	16	16	473	391	-3	-3	-28	99.4	0.1	0.1	-0.1	5.9	7.9	7.3	15	-3	0.1
Chemicals	25	5%	-11	-11	-151	627	8	8	210	93.7	-0.2	-0.2	-5.4	7.9	9.9	9.6	-11	8	-0.2
Energy	4	2%	10	10	650	398	0	0	-49	100.3	0.0	0.0	0.1	6.0	8.0	7.4	10	0	0.0
Financials	39	9%	17	17	299	571	9	9	72	95.2	-0.2	-0.2	-2.4	7.1	9.1	9.1	18	-4	0.1
Food Producers	27	6%	25	25	521	413	-7	-7	-29	99.1	0.2	0.2	0.3	6.1	8.1	7.5	25	-6	0.2
Gaming	6	2%	8	8	494	311	0	0	-24	100.2	0.0	0.0	0.2	5.1	7.1	6.5	8	0	0.0
Healthcare	61	18%	21	21	238	566	-5	-5	76	95.0	0.1	0.1	-2.5	7.3	9.3	9.0	21	-5	0.1
Media	12	2%	9	9	520	404	-1	-1	-18	99.5	0.0	0.0	-0.3	6.0	8.0	7.4	10	-1	0.0
Metals	1	0%	65	65	-408	1,062	-24	-24	446	87.2	0.5	0.5	-9.9	12.7	14.7	14.0	66	-24	0.5
Packaging/Paper	10	2%	-45	-45	226	572	20	20	64	96.1	-0.5	-0.5	-1.8	7.6	9.6	9.1	-41	20	-0.5
Real Estate	26	6%	14	14	433	627	6	6	49	94.4	-0.1	-0.1	-1.3	7.9	9.9	9.6	14	-2	0.0



Exhibit 53: EUR Loan valuations and performance by Rating and Sector

Breakdown of WTD, MTD, and YTD changes in price, spread, and total return across ratings and sectors

November 5, 2025	Characteristics		Total Return			3yr DM			Price			YTM spot	USD eqv	3yr Yield	Constant Constituent				
Retail	33	9%	-13	-13	321	439	5	5	-21	97.9	-0.2	-0.2	-0.6	6.1	8.2	7.8	-13	8	-0.2
Services	30	10%	14	14	361	427	-4	-4	17	98.3	0.1	0.1	-1.1	6.1	8.1	7.6	14	-2	0.1
Technology	37	9%	9	9	340	557	0	0	38	95.1	0.0	0.0	-1.7	7.1	9.1	8.9	9	0	0.0
Telecoms	15	5%	12	12	497	323	-2	-2	-146	100.0	0.0	0.0	2.5	5.2	7.2	6.6	12	-2	0.0
Transportation	4	1%	15	15	541	370	-3	-3	-35	100.2	0.1	0.1	0.1	5.7	7.7	7.1	15	-3	0.1
Travel	10	3%	17	17	400	459	-10	-10	-91	98.1	0.1	0.1	1.2	6.4	8.4	8.0	18	-3	0.1
Utilities	1	0%	9	9	525	499	0	0	30	99.4	0.0	0.0	-0.8	6.9	8.4	8.4	9	0	0.0

Source: BofA Global Research, LCD

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Retail issuer AnQore led the decliners (-25.9pts) with prices in downtrend since Aug after Moody's downgraded AnQore's CFR to Caa1 from B3 and changed outlook to negative citing that it expects the company to continue to generate negative FCF for next 12 to 18 months and will continue to face pressure due to global oversupply of acrylonitrile and macroeconomic uncertainties along with softer European demand. Also, the prospects of an uptick in demand worsened because of the uncertainties around the U.S. tariffs, which weakened consumer sentiment and business investment. This was followed by Packaging/Paper issuer LABL (-6.2pts) where prices are in downtrend since Sep after S&P downgraded the issuer to 'CCC+' from 'B-' citing weaker than expected earnings. Healthcare issuer Think-Cell Operations declined by (-3.0pts). Gainers include Chemicals issuer Archroma Finance that gained (+7.9pts) followed by Financial issuer Poseidon Bidco (+4.3pts) & Packaging/Paper issuer KP Germany Erste (+3.8pts).

Exhibit 54: Top EUR Loan movers

Largest price movements over last 7 days

FigID	Issuer	Industry	Amt Out (\$mn)	Margin (bps)	Maturity	Loan Rtg (MDY/S&P)	Price (pts)	Price Chg (pts)
Largest price declines for the week ended 11/5								
BBG01HD80WN3	AnQore	Retail	344	E+ 550	2027-12-06	Caa1/B-	30.0	-25.9
BBG012Y4BWQ7	LABL	Packaging/Paper	552	E+ 500	2028-10-29	B3/CCC+	67.6	-6.2
BBG01R6JLLF5	Think-Cell Operations GmbH	Healthcare	825	E+ 275	2031-12-31	Ba1 /BB	89.8	-3.0
BBG01JYXGLM9	INEOS Quattro Holdings UK	Chemicals	1,659	E+ 450	2029-04-02	B2/BB-	84.4	-2.2
BBG019FPRN70	Kronosnet	Media	79	E+ 800	2027-06-30	B3/B	101.0	-2.0
BBG01N2PFBD5	INEOS Finance PLC	Chemicals	1,722	E+ 350	2031-06-05	-/BB-	87.8	-1.7
BBG01PZSDDV6	INEOS Quattro Holdings UK	Chemicals	499	E+ 425	2031-10-01	B2/BB-	82.3	-1.7
BBG012F6H1M9	Orion Engineered Carbons	Chemicals	344	E+ 250	2028-09-24	Ba3 /BB	97.9	-1.6
BBG01VVH6C69	Triley Midco	Healthcare	608	E+ 400	2029-09-12	B2/-	96.8	-1.5
BBG01G07FMM8	Winterfell Financing	Real Estate	517	E+ 500	2028-05-04	B3/B-	89.6	-1.5
Largest price increases for the week ended 11/5								
BBG01FDS9ST7	Archroma Finance	Chemicals	522	E+ 550	2027-06-30	-/-	85.3	+7.9
BBG01LGK0SN3	Poseidon Bidco	Financials	1,263	E+ 500	2030-03-13	B3/CCC+	34.3	+4.3
BBG00Z16RBV9	KP Germany Erste	Packaging/Paper	689	E+ 475	2026-02-12	Caa1/CCC-	45.5	+3.8
BBG01S4PGTC3	Abe Investment Holdings	Retail	492	E+ 600	2030-02-21	B1/BB-	97.2	+3.3
BBG010ML1D52	Cerba Healthcare	Healthcare	2,152	E+ 375	2028-06-30	Caa2/CCC+	72.2	+2.5
BBG01BX1ZJV1	Cerba Healthcare	Healthcare	253	E+ 550	2029-02-16	Caa2/CCC+	72.3	+2.3
BBG0155L8K20	Fortis	Healthcare	689	E+ 400	2029-02-15	Caa2/-	72.2	+2.1
BBG00RCYHTL7	Styrolution GmbH	Chemicals	517	E+ 200	2027-01-29	B2/BB-	96.7	+1.3
BBG01S7PXPZ4	Flora Food Management	Food Producers	2,525	E+ 400	2028-01-03	B2/B	95.7	+1.3
BBG011DFJ052	Colisee Group	Healthcare	1,337	E+ 375	2027-11-26	Caa2/CCC-	53.9	+1.2

Source: BofA Global Research, LCD

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Glossary

A&E: Amendment and Extension
AUM: Assets Under Management
BDC: Business Development Company
BSL: Broadly Syndicated Loan Market
Capex: Capital Expenditure
CCC: HY/Loans CCC Rating
CLO: Collateralized Loan Obligation
CPI: Consumer Price Index
CSI: Credit Stress Indicator
DE: Distressed Exchange
Div: Dividends
DL: Direct Lending
DR: Default Rate
FCF: Free Cash Flow
FL/1L: First Lien
GCP: General Corporate Purposes
GFC: Global Financial Crisis
FOMO: Fear of Missing Out
IG: Investment Grade
HY: High Yield
ISM: Institute for Supply Management
LBO: Leveraged Buyout
LCD: Leveraged Commentary & Data
LevFin: Leveraged Finance
LTM: Last 12 months
M&A: Mergers & Acquisitions
MM: Middle Market
MTD: Month to Date
MTM: Mark-to-Market
NPL: Non-Performing Loan
OAS: Option-Adjusted Spread
OCF: Operating Cash Flow
PC/PD: Private Credit/Private Debt
PE: Private Equity
PDR: Probability Default Rating
PIK: Payment-in-Kind
PPI: Producer Price Index
QoQ: Quarter over Quarter
RCF: Revolving Credit Facility
Refi: Refinancing
RV: Relative Value
SL/2L: Second Lien
SMA: Separately Managed Accounts
TL: Term Loan
TLA/TLB: Term Loan A/B
TR: Total return
UoP: Use of Proceed
Wgt: Weight
WK: Week
WoW: Week over Week
WTD: Week to Date
YoY: Year over Year
YTD: Year to Date
YTM: Yield to Maturity



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