

BofA IG Healthcare Weekly

Vital Signs

Industry Overview

Healthcare highlights: ABBV, SOLV, AZN, BSX, A, MDT

The sector priced \$29.1 billion of debt last week with AbbVie (\$15 billion), Solventum (\$6.9 billion), AstraZeneca (\$5 billion), and Boston Scientific (€2.0 billion) tapping the markets. AbbVie issued \$2.25 billion 4.800% notes due 2027, \$2.5 billion 4.800% notes due 2029, \$2.0 billion 4.950% notes due 2031, \$3.0 billion 5.050% notes due 2034, \$750 million 5.350% notes due 2044, \$3.0 billion 5.400% notes due 2054, and \$1.50 billion 5.500% notes due 2064. Solventum issued \$1.0 billion 5.450% notes due 2027, \$1.5 billion 5.400% notes due 2029, \$1.0 billion 5.450% notes due 2031, \$1.65 billion 5.600% notes due 2034, \$1.25 billion 5.900% notes due 2054, and \$500 million 6.000% notes due 2064. AstraZeneca issued \$1.25 billion 4.800% notes due 2027, \$1.25 billion 4.850% notes due 2029, \$1.0 billion 4.900% notes due 2031, and \$1.5 billion 5.000% notes due 2034. Boston Scientific issued €750 million 3.375% notes due 2029 and €1.25 billion 3.500% notes due 2032. AbbVie announced that Rob Michael will succeed Rick Gonzalez as CEO, effective July 1, 2024. Agilent announced that Pdraig McDonnell, president of the Agilent CrossLab Group, has been named CEO-elect and chief operating officer (COO) of the company, effective May 1, 2024. Medtronic announced that it has decided to exit its ventilator product line and retain and combine the remaining Patient Monitoring and Respiratory Interventions businesses into one business unit called Acute Care and Monitoring. AstraZeneca announced the close of its acquisition of Gracell Biotechnologies.

Healthcare underperformed the IG Index last week

The ICE BofA IG Healthcare index underperformed the ICE BofA IG index, at -0.18% versus -0.12% on a total-return basis. Healthcare Services led other subsectors, with a total return of -0.14%. In Europe, Healthcare underperformed the ICE BofA EMU index, at -0.13% versus -0.11%.

YTD, Healthcare underperformed on total return

YTD, IG Healthcare has underperformed the ICE BofA IG index, at a total return of -2.20% versus -1.40%, and on an excess-return basis, IG Healthcare has underperformed, at 81 bps versus the index at 95 bps. IG Healthcare OAS was +77 bps versus the US Corp index at +93 bps. On a total-return basis, Healthcare Facilities performed the best within the IG Healthcare subsectors, at -1.65%; Healthcare Services ranked second, at -1.81%; Managed Care was the biggest laggard, at -2.46%.

Earnings Calendar: Four companies report this week (A, ALC, VTRS, XRAY)

See page 5 for full healthcare earnings calendar.

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Abbreviations

ABBV	AbbVie
SOLV	Solventum
AZN	AstraZeneca
BSX	Boston Scientific
A	Agilent
MDT	Medtronic
OAS	Option-adjusted spread
YTD	Year to date

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Returns Summary

Exhibit 1: Healthcare & Corporate Indices Returns Summary

The ICE BofA IG Healthcare index underperformed the ICE BofA IG index, at -0.18% versus -0.12% on a total-return basis.

	Total Returns					Excess Returns				
	1 week	MTD	QTD	YTD	12 month	1 week	MTD	QTD	YTD	12 month
US Corp Master	-0.12%	-1.55%	-1.40%	-1.40%	5.96%	31 bps	54 bps	95 bps	95 bps	462 bps
Healthcare Index	-0.18%	-2.03%	-2.20%	-2.20%	4.95%	31 bps	41 bps	81 bps	81 bps	457 bps
Pharmaceuticals	-0.16%	-2.11%	-2.33%	-2.33%	4.57%	32 bps	31 bps	65 bps	65 bps	424 bps
Medical Products	-0.31%	-2.01%	-2.11%	-2.11%	5.55%	17 bps	29 bps	49 bps	49 bps	420 bps
Managed Care	-0.18%	-2.12%	-2.46%	-2.46%	5.10%	32 bps	39 bps	66 bps	66 bps	485 bps
Healthcare Services	-0.14%	-1.61%	-1.81%	-1.81%	5.70%	31 bps	54 bps	63 bps	63 bps	451 bps
Healthcare Facilities	-0.15%	-1.91%	-1.65%	-1.65%	5.12%	38 bps	90 bps	212 bps	212 bps	597 bps
Sterling Corporate Securities Index	0.16%	-0.51%	-1.61%	-1.61%	5.60%	34 bps	93 bps	135 bps	135 bps	502 bps
Sterling Healthcare	-0.06%	-0.92%	-3.28%	-3.28%	4.09%	17 bps	87 bps	56 bps	56 bps	415 bps
EMU Corp	-0.11%	-0.90%	-0.82%	-0.82%	5.89%	33 bps	59 bps	99 bps	99 bps	334 bps
Euro Healthcare	-0.13%	-1.16%	-1.28%	-1.28%	5.33%	35 bps	48 bps	84 bps	84 bps	282 bps

Source: ICE Data Indices, LLC

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Exhibit 2: Healthcare Index Statistics

IG Healthcare OAS was +77 bps versus the US Corp index at +93 bps.

	Rating	# of Issues	% of Index	Avg Issue Size	Yield to Worst	OAS	Effective Duration	Spread Duration
US Corp Master	A3	10230	100.00%	795	5.49%	93 bps	6.6	6.6
Healthcare Index	A3	858	9.37%	888	5.30%	77 bps	8.2	8.1
Pharmaceuticals	A2	315	4.64%	1200	5.23%	70 bps	8.1	8.1
Medical Products	BBB1	119	1.05%	718	5.24%	75 bps	7.2	7.1
Managed Care	A3	149	1.68%	915	5.30%	79 bps	8.4	8.3
Healthcare Services	BBB2	69	0.88%	1038	5.44%	92 bps	6.9	6.8
Healthcare Facilities	A3	206	1.11%	440	5.50%	95 bps	10.0	10.0
Sterling Corporate Securities Index	A3	975	100.00%	401	5.57%	116 bps	6.2	6.3
Sterling Healthcare	A3	15	2.02%	526	4.89%	55 bps	8.2	8.1
EMU Corp	A3	4193	100.00%	686	3.93%	118 bps	4.4	4.6
Euro Healthcare	A3	209	5.21%	718	3.60%	97 bps	5.4	5.5

Source: ICE Data Indices, LLC

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M&A YTD

Exhibit 3: 2024 Mergers & Acquisitions

\$29.9 bn of M&A has been announced YTD

Announce Date	Acquirer	Target	Total Value USD (mm)	TV/EBITDA	TV/Sales
1/8/2024	Johnson & Johnson	Ambix Biopharma, Inc.	\$1,900	-	-
1/8/2024	Merck	Harpoon Therapeutics	\$680	-	-
1/8/2024	Boston Scientific	Axonics Bio, Inc.	\$3,700	107.25x	8.36x
1/9/2024	GSK plc	Aiolos Bio, Inc.	\$1,000	-	-
1/22/2024	Sandoz	Coherus BioSciences	\$170	-	-
1/23/2024	Sanofi	Inhibrx, Inc.	\$1,700	-	-
1/31/2024	Cardinal Health	Specialty Networks	\$1,200	-	-
2/5/2024	Novo Nordisk	Catalent fill finish sites	\$11,000	-	-
2/5/2024	Merck	Aqua Business of Elanco Animal Health Inc.	\$1,300	-	-
2/5/2024	Novartis	MorphoSys AG	\$2,900	-	-
2/12/2024	Gilead	CymaBay Therapeutics	\$4,300	-	-
Total			\$29,850		

Source: Bloomberg, company reports

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Issuance YTD

Exhibit 4: 2024 IG Healthcare New Issuance

\$56.7 bn of new issuance has been announced YTD.

Issue Date	Ticker	Company	Coupon	Maturity	Issue Spread	Amount USD (mm)
2/5/2024	BDX	Becton Dickinson	4.874	2/8/2029	75	\$625
2/5/2024	BDX	Becton Dickinson	3.519	2/8/2031		\$812
2/5/2024	BDX	Becton Dickinson	5.110	2/8/2034	95	\$550
2/5/2024	CI	Cigna	5.000	5/15/2029	90	\$1,000
2/5/2024	CI	Cigna	5.125	5/15/2031	100	\$750
2/5/2024	CI	Cigna	5.250	2/15/2034	110	\$1,250
2/5/2024	CI	Cigna	5.600	2/15/2054	125	\$1,500
2/5/2024	COR	Cencora	5.125	2/15/2034	98	\$500
2/7/2024	LLY	Eli Lilly	4.500	2/9/2027	30	\$1,000
2/7/2024	LLY	Eli Lilly	4.500	2/9/2029	45	\$1,000
2/7/2024	LLY	Eli Lilly	4.700	2/9/2034	60	\$1,500
2/7/2024	LLY	Eli Lilly	5.000	2/9/2054	70	\$1,500
2/7/2024	LLY	Eli Lilly	5.100	2/9/2064	77	\$1,500
2/14/2024	BMJ	Bristol Myers	FRN	2/20/2026		\$500
2/14/2024	BMJ	Bristol Myers	4.950	2/20/2026	40	\$1,000
2/14/2024	BMJ	Bristol Myers	4.900	2/22/2027	55	\$1,000
2/14/2024	BMJ	Bristol Myers	4.900	2/22/2029	70	\$1,750
2/14/2024	BMJ	Bristol Myers	5.100	2/22/2031	85	\$1,250
2/14/2024	BMJ	Bristol Myers	5.200	2/22/2034	95	\$2,500
2/14/2024	BMJ	Bristol Myers	5.500	2/22/2044	100	\$500
2/14/2024	BMJ	Bristol Myers	5.550	2/22/2054	115	\$2,750
2/14/2024	BMJ	Bristol Myers	5.650	2/22/2064	125	\$1,750
2/14/2024	CAH	Cardinal Health	5.125	2/15/2029	90	\$650
2/14/2024	CAH	Cardinal Health	5.450	2/15/2034	120	\$500
2/21/2024	AZN	AstraZeneca	4.800	2/26/2027	42	\$1,250
2/21/2024	AZN	AstraZeneca	4.850	2/26/2029	57	\$1,250
2/21/2024	AZN	AstraZeneca	4.900	2/26/2031	62	\$1,000
2/21/2024	AZN	AstraZeneca	5.000	2/26/2034	72	\$1,500
2/22/2024	BSX	Boston Scientific	3.375	3/8/2029		\$812
2/22/2024	BSX	Boston Scientific	3.500	3/8/2032		\$1,353
2/22/2024	ABBV	AbbVie	4.800	3/15/2027	35	\$2,250
2/22/2024	ABBV	AbbVie	4.800	3/15/2029	50	\$2,500
2/22/2024	ABBV	AbbVie	4.950	3/15/2031	60	\$2,000
2/22/2024	ABBV	AbbVie	5.050	3/15/2034	75	\$3,000
2/22/2024	ABBV	AbbVie	5.350	3/15/2044	75	\$750
2/22/2024	ABBV	AbbVie	5.400	3/15/2054	95	\$3,000
2/22/2024	ABBV	AbbVie	5.500	3/15/2064	105	\$1,500
2/23/2024	SOLV	Solventum	5.450	2/25/2027	100	\$1,000
2/23/2024	SOLV	Solventum	5.400	3/1/2029	115	\$1,500



Exhibit 4: 2024 IG Healthcare New Issuance

\$56.7 bn of new issuance has been announced YTD.

Issue Date	Ticker	Company	Coupon	Maturity	Issue Spread	Amount USD (mm)
2/23/2024	SOLV	Solventum	5.450	3/13/2031	120	\$1,000
2/23/2024	SOLV	Solventum	5.600	3/23/2034	135	\$1,650
2/23/2024	SOLV	Solventum	5.900	4/30/2054	155	\$1,250
2/23/2024	SOLV	Solventum	6.000	5/15/2064	165	\$500

Source: Bloomberg, company reports

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2024 Debt Maturities

Exhibit 5: 2024 Maturities

\$58.2 bn of bonds mature in 2024

Company	Coupon	Maturity	Amount Outstanding USD
Boston Scientific Corp	3.450%	3/1/2024	\$504
Roche Holding AG	0.450%	3/5/2024	\$500
Roche Holding AG	FRN	3/5/2024	\$350
Merck & Co Inc	2.900%	3/7/2024	\$750
Roche Holding AG	1.882%	3/8/2024	\$1,250
Pfizer Inc	2.950%	3/15/2024	\$750
Cigna Group	0.613%	3/15/2024	\$500
McKesson Corp	3.796%	3/15/2024	\$647
Danaher Corp	1.700%	3/30/2024	\$975
Gilead Sciences Inc	3.700%	4/1/2024	\$1,750
Quest Diagnostics Inc	4.250%	4/1/2024	\$300
Sanofi SA	0.625%	4/5/2024	\$650
Novartis AG	3.400%	5/6/2024	\$2,150
AstraZeneca PLC	0.750%	5/12/2024	\$975
Bristol-Myers Squibb Co	3.625%	5/15/2024	\$395
Pfizer Inc	3.400%	5/15/2024	\$1,000
UnitedHealth Group Inc	0.550%	5/15/2024	\$1,000
Baxter International Inc	0.400%	5/15/2024	\$813
Becton Dickinson & Co	3.875%	5/15/2024	\$144
Stryker Corp	3.375%	5/15/2024	\$600
Cencora Inc	3.400%	5/15/2024	\$500
AbbVie Inc	1.375%	5/17/2024	\$1,571
Johnson & Johnson	0.650%	5/20/2024	\$813
Amgen Inc	3.625%	5/22/2024	\$1,400
Eli Lilly & Co	0.150%	5/24/2024	\$683
AstraZeneca PLC	0.700%	5/28/2024	\$1,600
AbbVie Inc	1.250%	6/1/2024	\$758
GSK PLC	3.000%	6/1/2024	\$1,000
Becton Dickinson & Co	3.363%	6/6/2024	\$998
AbbVie Inc	3.850%	6/15/2024	\$1,037
Cigna Group	3.500%	6/15/2024	\$828
Cardinal Health Inc	3.079%	6/15/2024	\$750
Viatis Inc	1.023%	6/23/2024	\$813
Bristol-Myers Squibb Co	2.900%	7/26/2024	\$2,478
CVS Health Corp	3.375%	8/12/2024	\$650
CVS Health Corp	2.625%	8/15/2024	\$1,000
Elevance Health Inc	3.500%	8/15/2024	\$800
UnitedHealth Group Inc	2.375%	8/15/2024	\$750
Laboratory Corp of America	3.250%	9/1/2024	\$600
Thermo Fisher Scientific Inc	0.750%	9/12/2024	\$1,083
Roche Holding AG	0.100%	9/23/2024	\$853
Roche Holding AG	3.350%	9/30/2024	\$589
Humana Inc	3.850%	10/1/2024	\$600
UnitedHealth Group Inc	5.000%	10/15/2024	\$500
Thermo Fisher Scientific Inc	1.215%	10/18/2024	\$2,500
Merck & Co Inc	0.500%	11/2/2024	\$542
Johnson & Johnson	5.500%	11/6/2024	\$635
CVS Health Corp	3.500%	11/15/2024	\$750

Exhibit 5: 2024 Maturities

\$58.2 bn of bonds mature in 2024

Company	Coupon	Maturity	Amount Outstanding USD
Danaher Corp	2.200%	11/15/2024	\$700
Cardinal Health Inc	3.500%	11/15/2024	\$400
GE HealthCare Technologies Inc	5.550%	11/15/2024	\$1,000
Stryker Corp	FRN	11/16/2024	\$542
Abbott Laboratories	0.100%	11/19/2024	\$639
AbbVie Inc	2.600%	11/21/2024	\$3,750
Viatis Inc	2.250%	11/22/2024	\$1,083
Zimmer Biomet Holdings Inc	1.450%	11/22/2024	\$850
Baxter International Inc	1.322%	11/29/2024	\$1,400
Baxter International Inc	FRN	11/29/2024	\$300
CVS Health Corp	5.000%	12/1/2024	\$300
Elevance Health Inc	3.350%	12/1/2024	\$850
Laboratory Corp of America	2.300%	12/1/2024	\$400
GSK PLC	1.375%	12/2/2024	\$1,083
Stryker Corp	0.250%	12/3/2024	\$921
Becton Dickinson & Co	3.734%	12/15/2024	\$875
Total			\$58,175

Source: Bloomberg, company data

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Earnings Calendar

Exhibit 6: Q4'23 Earnings Calendar

Four companies report this week

Date	Weekday	Conf Call ET	Ticker	Company	Dial-in Number	Pin
2/27/2024	Tuesday	4:30:00 PM	A	Agilent	N.A.	N.A.
2/27/2024	Tuesday	5:30:00 PM	ALC	Alcon	N.A.	N.A.
2/28/2024	Wednesday	8:30:00 AM	VTRS	Viatis	(844) 308-3344	N.A.
2/29/2024	Thursday	8:30:00 AM	XRAY	Dentsply Sirona	(844) 543-0451	379552
3/7/2024	Thursday	8:00:00 AM	MRK GR	Merck KGaA	(864) 991-4103	N.A.
3/13/2024 (E)	Wednesday		SDZ SW	Sandoz	N.A.	N.A.

Source: Bloomberg *E signifies estimated

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Exhibit 7: BofA Global Research Investment Grade Pharmaceuticals Pricing Sheet

Pharmaceuticals Pricing Sheet

Description	Amt	Price	Moody's/S&P/Fitch	Duration	Price	Yield	Bid Spread	Z Spread	OAS	G Spread
AbbVie Inc.										
ABBV 4.8 29	\$2,500	99.96	A3/A-	4.44	\$99.96	4.809%	53 bps	78 bps	52 bps	53 bps
ABBV 5.05 34	\$3,000	100.70	A3/A-	7.67	\$100.70	4.959%	71 bps	105 bps	69 bps	71 bps
ABBV 5.4 54	\$3,000	101.75	A3/A-	14.81	\$101.75	5.282%	91 bps	156 bps	89 bps	90 bps
Amgen Inc.										
AMGN 4.05 29	\$1,250	95.68	Baa1/BBB+/BBB	4.83	\$95.68	4.959%	68 bps	95 bps	67 bps	68 bps
AMGN 5.25 33	\$4,250	100.18	Baa1/BBB+/BBB	6.93	\$100.18	5.225%	98 bps	131 bps	94 bps	97 bps
AMGN 5.65 53	\$4,250	101.18	Baa1/BBB+/BBB	13.79	\$101.18	5.567%	120 bps	182 bps	116 bps	117 bps
AstraZeneca										
AZN 4.85 29	\$1,250	100.20	A2/A/A-u	4.39	\$100.20	4.806%	53 bps	77 bps	51 bps	53 bps
AZN 5 34	\$1,500	100.66	A2/A/A-u	7.65	\$100.66	4.915%	67 bps	101 bps	64 bps	66 bps
AZN 3 51	\$750	69.63	A2/A/A-u	16.30	\$69.63	5.068%	70 bps	135 bps	65 bps	66 bps
Biogen Inc.										
BIIB 2.25 30	\$1,500	83.85	Baa2/BBB+	5.56	\$83.85	5.354%	108 bps	139 bps	109 bps	108 bps
BIIB 3.25 51	\$701	66.63	Baa2/BBB+	15.46	\$66.63	5.684%	131 bps	195 bps	127 bps	127 bps
Bristol Myers										
BMJ 4.9 29	\$1,750	99.98	A2/A	4.37	\$99.98	4.905%	63 bps	86 bps	61 bps	63 bps
BMJ 5.2 34	\$2,500	100.83	A2/A	7.57	\$100.83	5.092%	84 bps	118 bps	82 bps	84 bps
BMJ 5.55 54	\$2,750	101.38	A2/A	14.52	\$101.38	5.456%	109 bps	173 bps	106 bps	108 bps
Gilead Sciences Inc.										
GILD 1.65 30	\$1,000	81.55	A3/BBB+	6.03	\$81.55	4.966%	69 bps	102 bps	70 bps	69 bps
GILD 5.25 33	\$1,000	100.88	A3/BBB+	7.18	\$100.88	5.131%	88 bps	122 bps	85 bps	88 bps
GILD 5.55 53	\$1,000	102.00	A3/BBB+	14.16	\$102.00	5.412%	104 bps	168 bps	102 bps	103 bps
GSK PLC										
GSK 3.375 29	\$1,000	93.87	A2/A	4.70	\$93.87	4.703%	43 bps	69 bps	42 bps	43 bps
GSK 4.2 43	\$500	87.19	A2/A	12.25	\$87.19	5.274%	74 bps	140 bps	79 bps	78 bps
Johnson & Johnson										
JNJ 1.3 30	\$1,750	81.69	Aaa/AAA	6.04	\$81.69	4.585%	31 bps	64 bps	32 bps	31 bps
JNJ 3.55 36	\$1,000	87.94	Aaa/AAA	9.29	\$87.94	4.890%	64 bps	99 bps	57 bps	59 bps
JNJ 2.25 50	\$1,000	61.98	Aaa/AAA	17.28	\$61.98	4.800%	43 bps	108 bps	37 bps	38 bps
Eli Lilly										
LLY 4.5 29	\$1,000	99.64	A1/A+	4.38	\$99.64	4.582%	31 bps	54 bps	29 bps	31 bps
LLY 4.7 34	\$1,500	99.20	A1/A+	7.84	\$99.20	4.802%	55 bps	90 bps	53 bps	55 bps
LLY 5 54	\$1,500	99.07	A1/A+	15.34	\$99.07	5.060%	69 bps	135 bps	67 bps	69 bps
Merck										
MRK 4.3 30	\$750	97.28	A1/A+	5.32	\$97.28	4.810%	53 bps	84 bps	52 bps	53 bps
MRK 4.5 33	\$1,500	97.44	A1/A+	7.35	\$97.44	4.847%	60 bps	94 bps	57 bps	59 bps
MRK 5 53	\$1,500	97.06	A1/A+	14.85	\$97.06	5.196%	83 bps	148 bps	80 bps	81 bps
Merck KGaA										
MRKGR 3.25 25	\$1,600	97.77	A3/A	1.01	\$97.77	5.439%	76 bps	43 bps	57 bps	48 bps
Novartis										
NOVNVX 2.2 30	\$1,500	86.05	Aa3/AA-/AA-u	5.88	\$86.05	4.730%	45 bps	78 bps	46 bps	45 bps
NOVNVX 2.75 50	\$1,250	67.25	Aa3/AA-/AA-u	16.61	\$67.25	4.994%	62 bps	126 bps	57 bps	57 bps
Pfizer										
PFE 4.45 28	\$4,000	98.58	A2/A/Au	3.76	\$98.58	4.825%	55 bps	72 bps	47 bps	49 bps
PFE 4.75 33	\$5,000	97.90	A2/A/Au	7.28	\$97.90	5.036%	79 bps	113 bps	76 bps	78 bps
PFE 5.3 53	\$6,000	98.74	A2/A/Au	14.48	\$98.74	5.386%	102 bps	166 bps	98 bps	100 bps
Roche Holdings										
ROSW 5.489 30	\$1,250	103.27	Aa2/AA/AA	5.39	\$103.27	4.899%	62 bps	93 bps	60 bps	62 bps
ROSW 5.593 33	\$1,600	104.92	Aa2/AA/AA	7.24	\$104.92	4.935%	69 bps	102 bps	66 bps	68 bps
ROSW 2.607 51	\$2,000	63.06	Aa2/AA/AA	16.97	\$63.06	5.110%	74 bps	141 bps	71 bps	71 bps
Royalty Pharma										
RPRX 2.2 30	\$997	82.41	Baa3/BBB-/BBB-	5.82	\$82.41	5.443%	117 bps	149 bps	117 bps	116 bps
RPRX 2.15 31	\$600	79.44	Baa3/BBB-/BBB-	6.62	\$79.44	5.532%	128 bps	161 bps	126 bps	126 bps
RPRX 3.35 51	\$700	64.88	Baa3/BBB-/BBB-	14.85	\$64.88	5.964%	159 bps	223 bps	156 bps	156 bps
Viatis										
VTRS 2.7 30	\$1,450	84.49	Baa3/BBB-/BBB	5.61	\$84.49	5.653%	138 bps	170 bps	138 bps	137 bps
VTRS 4 50	\$2,000	70.00	Baa3/BBB-/BBB	13.86	\$70.00	6.363%	199 bps	260 bps	194 bps	194 bps
Zoetis Inc										
ZTS 5.6 32	\$750	103.13	Baa1/BBB	6.62	\$103.13	5.140%	89 bps	121 bps	85 bps	88 bps
ZTS 3 50	\$500	68.81	Baa1/BBB	15.86	\$68.81	5.190%	82 bps	145 bps	76 bps	76 bps

Source: Company reports, Bloomberg. U refers to an unsolicited rating by Fitch.



Exhibit 8: BofA Global Research Investment Grade Clinical Lab Pricing Sheet

Clinical Lab Pricing Sheet

Description	Amt.	Price	Moody's/S&P/Fitch	Duration	Price	Yield	Bid Spread	Z Spread	OAS	G Spread
Laboratory Corp										
LH 2.95 29	\$650	89.00	Baa2/BBB	5.14	\$89.00	5.181%	90 bps	119 bps	90 bps	90 bps
LH 2.7 31	\$500	85.28	Baa2/BBB	6.37	\$85.28	5.155%	90 bps	122 bps	88 bps	87 bps
LH 4.7 45	\$900	89.52	Baa2/BBB	12.68	\$89.52	5.553%	101 bps	169 bps	104 bps	105 bps
Quest Diagnostics										
DGX 4.2 29	\$500	96.39	Baa2/BBB+/BBB	4.68	\$96.39	4.977%	69 bps	96 bps	67 bps	69 bps
DGX 6.4 33	\$750	107.24	Baa2/BBB+/BBB	7.03	\$107.24	5.415%	116 bps	149 bps	113 bps	116 bps
DGX 4.7 45	\$300	88.50	Baa2/BBB+/BBB	12.46	\$88.50	5.639%	110 bps	178 bps	113 bps	113 bps

Source: Company reports, Bloomberg.

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Exhibit 9: BofA Global Research Investment Grade Managed Care Pricing Sheet

Managed Care Pricing Sheet

Description	Amt.	Price	Moody's/S&P/Fitch	Duration	Price	Yield	Bid Spread	Z Spread	OAS	G Spread
Cigna										
CI 5 29	\$1,000	99.55	Baa1/A-/BBB+	4.53	\$99.55	5.100%	82 bps	107 bps	81 bps	82 bps
CI 5.25 34	\$1,250	99.30	Baa1/A-/BBB+	7.66	\$99.30	5.341%	109 bps	143 bps	106 bps	109 bps
CI 5.6 54	\$1,500	99.50	Baa1/A-/BBB+	14.38	\$99.50	5.635%	126 bps	191 bps	124 bps	126 bps
CVS										
CVS 5 29	\$1,000	99.66	Baa2/BBB	4.30	\$99.66	5.079%	80 bps	103 bps	77 bps	80 bps
CVS 5.25 33	\$1,750	99.44	Baa2/BBB	7.08	\$99.44	5.329%	107 bps	141 bps	103 bps	106 bps
CVS 5.625 53	\$1,250	97.38	Baa2/BBB	14.01	\$97.38	5.813%	144 bps	207 bps	140 bps	142 bps
Elevance Health										
ELV 2.875 29	\$825	89.82	Baa2/A/BBB+	4.95	\$89.82	4.997%	71 bps	100 bps	72 bps	71 bps
ELV 4.75 33	\$1,000	96.56	Baa2/A/BBB+	7.17	\$96.56	5.235%	98 bps	131 bps	95 bps	97 bps
ELV 5.125 53	\$1,100	95.44	Baa2/A/BBB+	14.65	\$95.44	5.440%	107 bps	171 bps	103 bps	105 bps
Humana										
HUM 5.75 28	\$500	102.08	Baa2/BBB+/BBB	4.00	\$102.08	5.241%	96 bps	116 bps	92 bps	94 bps
HUM 5.95 34	\$850	103.75	Baa2/BBB+/BBB	7.28	\$103.75	5.452%	120 bps	153 bps	117 bps	120 bps
HUM 5.5 53	\$750	97.75	Baa2/BBB+/BBB	13.91	\$97.75	5.658%	128 bps	192 bps	125 bps	127 bps
UnitedHealth										
UNH 4.25 29	\$1,250	97.79	A2/A+/A	4.33	\$97.79	4.761%	48 bps	71 bps	46 bps	47 bps
UNH 4.5 33	\$1,500	96.31	A2/A+/A	7.25	\$96.31	5.007%	75 bps	109 bps	72 bps	74 bps
UNH 5.05 53	\$2,000	96.18	A2/A+/A	14.61	\$96.18	5.309%	93 bps	158 bps	90 bps	92 bps

Source: Company reports, Bloomberg.

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Exhibit 10: BofA Global Research Investment Grade Medical Products Pricing Sheet

Medical Products Pricing Sheet

Description	Amt.	Price	Moody's/S&P/Fitch	Duration	Price	Yield	Bid Spread	Z Spread	OAS	G Spread
Abbott Labs										
ABT 1.4 30	\$650	81.85	Aa3/AA-	5.90	\$81.85	4.747%	46 bps	80 bps	48 bps	46 bps
ABT 4.75 36	\$1,650	97.50	Aa3/AA-	9.32	\$97.50	5.017%	76 bps	111 bps	66 bps	69 bps
ABT 4.9 46	\$3,250	96.61	Aa3/AA-	13.29	\$96.61	5.154%	61 bps	133 bps	66 bps	67 bps
Agilent Technologies										
A 2.75 29	\$500	89.42	Baa1/BBB+/BBB+	4.97	\$89.42	4.952%	67 bps	95 bps	67 bps	67 bps
A 2.3 31	\$850	83.76	Baa1/BBB+/BBB+	6.24	\$83.76	5.072%	82 bps	114 bps	79 bps	79 bps
Alcon										
ALCSW 2.6 30	\$750	85.96	Baa2/BBB+	5.58	\$85.96	5.266%	98 bps	130 bps	99 bps	98 bps
ALCSW 5.375 32	\$700	100.73	Baa2/BBB+	6.70	\$100.73	5.267%	101 bps	134 bps	97 bps	100 bps
ALCSW 5.75 52	\$600	103.77	Baa2/BBB+	13.98	\$103.77	5.485%	111 bps	173 bps	107 bps	108 bps
Baxter										
BAX 2.272 28	\$1,249	87.80	Baa2/BBB/BBB-	4.38	\$87.80	5.197%	91 bps	115 bps	91 bps	90 bps
BAX 2.539 32	\$1,540	82.25	Baa2/BBB/BBB-	6.94	\$82.25	5.311%	106 bps	139 bps	104 bps	104 bps
BAX 3.132 51	\$750	65.63	Baa2/BBB/BBB-	15.74	\$65.63	5.582%	121 bps	186 bps	117 bps	117 bps
Becton Dickinson										
BDX 4.874 29	\$625	99.04	Baa2/BBB/BBB	4.33	\$99.04	5.096%	81 bps	105 bps	79 bps	81 bps
BDX 5.11 34	\$550	98.31	Baa2/BBB/BBB	7.67	\$98.31	5.330%	108 bps	142 bps	105 bps	108 bps
BDX 3.794 50	\$560	77.44	Baa2/BBB/BBB	14.83	\$77.44	5.414%	104 bps	165 bps	98 bps	98 bps
Boston Scientific										
BSX 2.65 30	\$1,200	87.48	Baa1/BBB+/BBB+	5.59	\$87.48	5.004%	72 bps	104 bps	73 bps	72 bps
BSX 4.55 39	\$450	92.00	Baa1/BBB+/BBB+	10.31	\$92.00	5.331%	108 bps	142 bps	93 bps	94 bps
BSX 4.7 49	\$650	90.94	Baa1/BBB+/BBB+	13.72	\$90.94	5.362%	99 bps	157 bps	90 bps	91 bps
Danaher										
DHR 2.6 29	\$800	88.84	A3/A-	5.15	\$88.84	4.859%	58 bps	87 bps	58 bps	58 bps
DHR 3.25 39	\$900	78.75	A3/A-	11.49	\$78.75	5.252%	100 bps	135 bps	84 bps	84 bps
DHR 2.8 51	\$1,000	65.44	A3/A-	16.64	\$65.44	5.153%	78 bps	144 bps	74 bps	75 bps
Medtronic										
MDT 4.25 28	\$1,000	97.50	A3/A	3.64	\$97.50	4.931%	65 bps	81 bps	57 bps	58 bps
MDT 4.5 33	\$1,000	96.69	A3/A	7.21	\$96.69	4.956%	70 bps	104 bps	67 bps	69 bps
MDT 4.625 45	\$1,813	91.94	A3/A	12.70	\$91.94	5.263%	72 bps	141 bps	76 bps	76 bps
Stryker										
SYK 4.85 28	\$600	99.74	Baa1/BBB+	4.18	\$99.74	4.909%	63 bps	85 bps	59 bps	61 bps
SYK 2.9 50	\$650	68.69	Baa1/BBB+	16.18	\$68.69	5.068%	69 bps	133 bps	63 bps	64 bps
Thermo Fisher Scientific										
TMO 5 29	\$1,000	100.86	A3/A-/A-	4.22	\$100.86	4.795%	51 bps	74 bps	49 bps	50 bps
TMO 5.2 34	\$500	101.69	A3/A-/A-	7.47	\$101.69	4.976%	72 bps	106 bps	69 bps	72 bps
TMO 4.1 47	\$750	83.88	A3/A-/A-	14.06	\$83.88	5.310%	77 bps	150 bps	83 bps	84 bps
Zimmer Holdings										
ZBH 5.35 28	\$500	101.10	Baa2/BBB/BBB	4.05	\$101.10	5.081%	80 bps	101 bps	76 bps	78 bps
ZBH 2.6 31	\$750	83.73	Baa2/BBB/BBB	6.75	\$83.73	5.177%	92 bps	125 bps	90 bps	90 bps
ZBH 4.45 45	\$395	88.88	Baa2/BBB/BBB	13.17	\$88.88	5.325%	78 bps	148 bps	81 bps	83 bps

Source: Company reports, Bloomberg.

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Exhibit 11: BofA Global Research Investment Grade Distributors Pricing Sheet

Distributors Pricing Sheet

Description	Amt.	Price	Moody's/S&P/Fitch	Duration	Price	Yield	Bid Spread	Z Spread	OAS	G Spread
Cencora										
COR 2.7 31	\$1,000	85.41	Baa2/BBB+/A-	6.16	\$85.41	5.198%	94 bps	126 bps	92 bps	91 bps
COR 5.125 34	\$500	98.60	Baa2/BBB+/A-	7.68	\$98.60	5.307%	105 bps	139 bps	103 bps	105 bps
COR 4.3 47	\$500	84.35	Baa2/BBB+/A-	13.77	\$84.35	5.485%	94 bps	168 bps	101 bps	102 bps
Cardinal Health										
CAH 5.125 29	\$650	99.96	Baa2/BBB/BBB	4.33	\$99.96	5.134%	85 bps	108 bps	83 bps	85 bps
CAH 5.45 34	\$500	99.64	Baa2/BBB/BBB	7.60	\$99.64	5.498%	124 bps	158 bps	122 bps	124 bps
CAH 4.368 47	\$566	81.99	Baa2/BBB/BBB	13.36	\$81.99	5.785%	124 bps	197 bps	131 bps	131 bps
McKesson										
MCK 4.9 28	\$400	100.12	Baa1/BBB+/A-	3.88	\$100.12	4.868%	59 bps	77 bps	52 bps	54 bps
MCK 5.1 33	\$600	99.73	Baa1/BBB+/A-	7.34	\$99.73	5.136%	88 bps	122 bps	85 bps	87 bps
MCK 4.883 44	\$255	89.07	Baa1/BBB+/A-	11.90	\$89.07	5.813%	127 bps	194 bps	129 bps	129 bps

Source: Company reports, Bloomberg.

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