

Consumer & Retail

Merger watch

Industry Overview

7-Eleven announces acquisition, multiple KR/ACI headlines

Markets overcame early '24 weakness last week as rates retreated (2Y -24bps, 10Y at 3.94%), S&P 500 rallied +1.8%, and the **ICE BofA IG Corp Bond Index** tightened -7bps w/w, returning 1.17%. Non-Cyclicals & Cyclicals tightened -6bps & -7bps with returns of +1.20% & +1.25% respectively. December CPI came in a touch above expectations but the trendline is still lower, suggesting inflation is cooling. If inflation remains sticky, BofA IG strategy does not see a risk to IG spreads as higher rates and lower stocks are offset by stronger growth and higher yields, which has been supportive of IG demand. According to the BofA Institute, household spending rose +0.2% in Dec (vs. +0.5% in Nov) as holiday spend started out strong but eventually lagged. Wage growth turned negative for the higher-income cohort vs. the lower-income group seeing increased growth, indicating the spend gap between the two groups may continue into 2024. A related spending survey suggests that consumers plan to pull back in services-related spend (dining, takeout, social events) after the share of services spend rose above '19 levels in '23. New issuance totaled \$46bn last week with Constellation Brands issuing \$400mn to partially refinance upcoming maturities.

In **Retail (-7bps)**, Tapestry received antitrust approval from China's anti-monopoly regulator over its proposed acquisition of Capri Holdings. The majority of global regulators still need to weigh in. In **Food Retail (-2bps)**, *Bloomberg* reported WA's attorney general is planning to file a lawsuit to block the Kroger/Albertsons merger. The same AG, who is now running for governor, previously unsuccessfully sued to stop the payment of Albertsons' special dividend. *Axios* separately reported that the FTC is unlikely to reach a decision on the proposed acquisition until February. A source claims that even if KR divests 650 stores, the deal still won't be palatable to the FTC. 7-Eleven announced that it will acquire 204 of Sunoco's convenience and gasoline retail stores in Western Texas, New Mexico, and Oklahoma for \$950mn (12.9x Yr 1 EBITDA). Parent co. Seven & I announced 3Q results and slightly lowered the FY24 outlook for 7-Eleven due to weak consumer sentiment which will likely take until 1H of the year to recover. Same-store sales outlook was lowered -10bps q/q to +1.2% & EBITDA was lowered \$5mn.

In **Packaged Food & Beverages (-5bps, -6bps)**, the latest Nielsen scanner data ending 12/30/23 showed widespread sequential weakness with total retail sales in Food -0.4% y/y in the lastest 4 weeks indicating that pricing is no longer offsetting volume declines. In **Tobacco (-8bps)**, *The Washington Post* reported that White House officials are expected to complete the review of the FDA's final rule on banning menthol by this week; the decision would then go to Biden and advisors for quick action in order to have the ban take full effect under the current administration.

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Refer to important disclosures on page 13 to 16. Analyst Certification on page 13.

Valuation & Risk on page 13.

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Exhibit 1: Market week ended 1/12/24

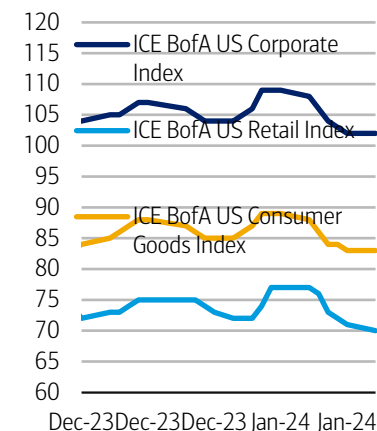
Last week's market performance

Market	Value	WoW
IG ICE BofA Index	102	(7)
IG ICE BofA Index (yld)	5.14	(20)
HY ICE BofA Index	463	(12)
HY ICE BofA Index (yld)	7.78	(28)
CDX IG 5yr	55	(5)
CDX HY 5yr	353	(18)
Consumer Cyclicals	70	(7)
Consumer Non-Cyclicals	83	(6)
5yr Treasury (yld)	3.83	(18)
10yr Treasury (yld)	3.94	(11)
30yr Treasury (yld)	4.18	(3)
S&P 500 (index)	4,784	1.8%

Source: ICE Data Indices, LLC, Bloomberg
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Exhibit 2: Consumer/Retail Spreads

1mo spreads range-bound



Source: ICE Data Indices, LLC, Bloomberg
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Exhibit 3: Upcoming Consumer/Retail Events Calendar

2-week calendar of events, subject to change

January 2024				
Mon, Jan-15	Tue, Jan-16	Wed, Jan-17	Thu, Jan-18	Fri, Jan-19
Mon, Jan-22	Tue, Jan-23	Wed, Jan-24	Thu, Jan-25	Fri, Jan-26
PG 2Q24 earnings	KMB 4Q23 earnings	MKC 4Q23 earnings	ADM 4Q23 earnings CL 4Q23 earnings	

Source: Company filings, Bloomberg

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Exhibit 4: Notable Weekly Movers

KHC widened the most last week

Active Cash Trading				Active CDS			
Issuer	Chg (G-spread)	Issuer	Chg (G-spread)	Entity	5y	Chg	
KHC 4.250% 3/1/2031	+9	PVH 4.625% 7/10/2025	-28	Conagra Brands	67	-7	
GIS 2.250% 10/14/2031	+9	TAP 4.200% 7/15/2046	-17	Darden Restaurants	43	-6	
RIFP 1.625% 4/1/2031	+8	BATSLN 3.984% 9/25/2050	-15	General Mills	38	-5	
AZO 1.650% 1/15/2031	+7	TGT 2.950% 1/15/2052	-14	Kroger	51	-5	
PEP 1.400% 2/25/2031	+7	MO 3.700% 2/4/2051	-14	Target	37	-3	

Source: ICE Data Indices, LLC, Bloomberg

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Notable Consumer & Retail credit news**Retail**

Tapestry (TPR, Baa2/BBB/--) has received antitrust approval from China's anti-monopoly regulator (State Administration for Market Regulation) over its proposed acquisition of Capri Holdings. China's antitrust authority approved the deal on December 27th, 2023 according to translation of SAMR's website.

According to Salesforce.com, global online holiday sales grew +3% y/y in 2023 missing its +4% est. (over the period measured from November 1st-December 31st). U.S. online sales grew +1% y/y (in-line with est.) to reach \$272bn while online sales in Europe grew +6% y/y. The average global online discount rate reached 21%, the highest level since early 2020.

CNBC/NRF Retail Monitor showed retail sales, ex-autos & gas, were +4.2% y/y in Nov and +3.1% y/y in Dec which is consistent with NRF's holiday forecast for +3-4%. Total retail sales for all of 2023 were +5.3% y/y and core retail sales were +4.5% y/y. December sales were led by online, health & personal care, and clothing & accessories stores.

Food Retail

According to *Bloomberg*, the Washington state attorney general is expected to file a lawsuit to block the proposed **Kroger (KR, Baa1/BBB/--)** and Albertsons Cos (ACI) merger by end of day. After California, Washington is thought to be the 2nd most impacted state with regards to store overlap (~330 stores overlap, albeit Texas is technically the 2nd largest combined store count after CA) – In our call “Checking in on Retail M&A”, we noted trouble markets of WA, AZ, SoCal and CO as having been addressed by the divestiture package to C&S Wholesale Grocers. The Washington AG, who is now running for governor, previously unsuccessfully sued to stop the payment of Albertsons' special dividend. While states have independent authority and could delay closing, we often see them follow federal regulator decisions (i.e. if FTC settles, states

will too) and local courts tend to defer to federal opinions particularly in anti-trust matters.

Separately, *Axios* reported that the FTC is unlikely to reach a decision until February on the KR/ACI deal and the timing agreement was extended. This is consistent with our call that Feb 13th is most likely the next relevant expiry on a timing agreement while the outside date for closing (in the merger agreement) can be extended beyond January 13th, in 30 day increments, up to a 270 day extension. A source claims that even if KR divests the maximum number of stores under the merger agreement (650) the deal still won't be palatable to the FTC.

Recent New Issuance

Constellation Brands (Baa3/BBB) issued \$400mn of 5yr notes. The use of proceeds is for general corporate purposes.

BofA Current Recommendations

Exhibit 5: Cash & CDS ratings

BofA cash & CDS ratings

Name	Ticker	Cash			CDS		
		Overweight	Marketweight	Underweight	Buy Protection	Neutral	Sell Protection
O'Reilly Automotive	ORLY	✓					
The Home Depot	HD		✓			✓	
Anheuser-Busch InBev SA/NV*	ABIBB		✓				
Advance Auto Parts	AAP		✓				
McCormick & Co	MKC	✓					
Campbell Soup Co.	CPB	✓				✓	
Sysco Corp.	SYU	✓					
Keurig Dr. Pepper	KDP	✓					
Lowe's	LOW	✓				✓	
Tyson Foods	TSN			✓		✓	
Conagra Brands	CAG		✓			✓	
Kellogg*	K		✓				
Kraft Heinz	KHC	✓					✓
General Mills Inc.	GIS		✓			✓	
AutoZone	AZO		✓			✓	
Kroger	KR		✓				✓
Nordstrom	JWN		✓				✓
Dollar General Corp.	DG		✓				
Mondelez International	MDLZ		✓				✓
Mondelez Int'l Holdings Netherlands	MDLZ		✓				
J.M. Smucker	SJM		✓				
The Coca-Cola Company	KO		✓				
PepsiCo	PEP		✓				
Pilgrim's Pride	PPC		✓				
Mattel	MAT		✓				
The Hershey Co.	HSY		✓			✓	

Source: BofA Global Research;

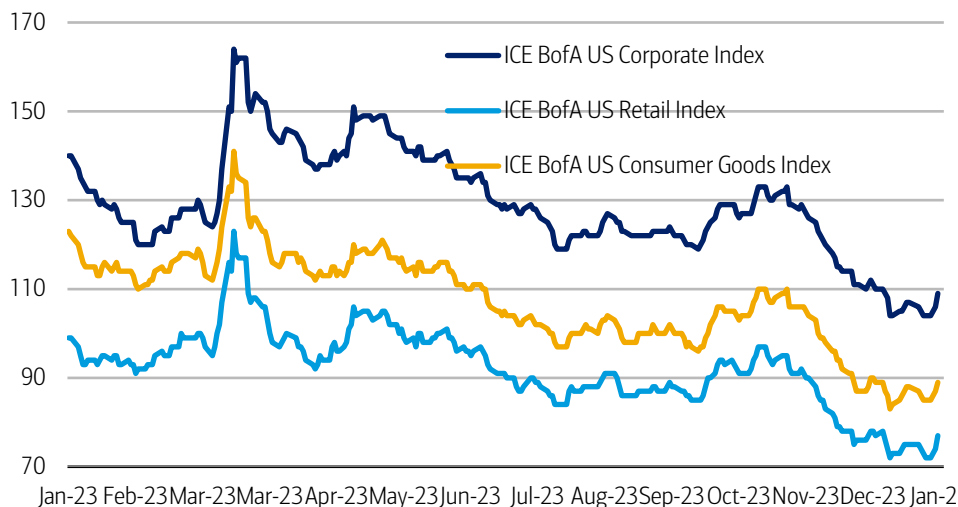
Notes (*): Underweight K long-end, Overweight ABIBB long-end (\$)

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Market Snapshot

Exhibit 6: BofA HG Index vs. Consumer/Retail Sectors

Consumer/Retail 1-year spread performance tightens after rate volatility, inflation pressure



Source: ICE Data indices, LLC

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**Exhibit 7: ICE Data Indices Investment Grade Index**

Benchmark spread and credit metrics by issuer

	Num of Issues	% of Index	Spreads (OAS)					Price	YTW	Modified Duration	Average Rating	Total Returns					Excess Returns				
			OAS	1 week	MTD	QTD	YTD					1 week	MTD	QTD	YTD	12 month	1 week	MTD	QTD	YTD	12 month
US Corporate Index	10,160	100.0%	102 bps	-7 bps	-2 bps	-2 bps	-2 bps	\$93.2	5.14%	6.8	A3	1.17%	-0.10%	-0.10%	-0.10%	4.62%	49 bps	24 bps	24 bps	24 bps	418 bps
Rating Categories																					
AAA US Corporate Index	118	1.1%	36 bps	-7 bps	-4 bps	-4 bps	-4 bps	\$87.6	4.53%	9.3	AAA	1.39%	-0.31%	-0.31%	-0.31%	1.51%	83 bps	58 bps	58 bps	58 bps	321 bps
AA US Corporate Index	779	8.1%	55 bps	-4 bps	-1 bps	-1 bps	-1 bps	\$91.1	4.68%	7.3	AA3	1.05%	-0.30%	-0.30%	-0.30%	2.64%	41 bps	18 bps	18 bps	18 bps	286 bps
Single-A US Corporate Index	4,111	43.5%	87 bps	-6 bps	-1 bps	-1 bps	-1 bps	\$93.5	4.99%	6.7	A2	1.14%	-0.17%	-0.17%	-0.17%	4.01%	46 bps	18 bps	18 bps	18 bps	349 bps
BBB US Corporate Index	5,152	47.2%	126 bps	-7 bps	-3 bps	-3 bps	-3 bps	\$93.5	5.37%	6.7	BBB2	1.22%	0.00%	0.00%	0.00%	5.59%	52 bps	30 bps	30 bps	30 bps	504 bps
Maturity																					
1-3 Year US Corporate Index	2,088	22.7%	74 bps	-6 bps	-2 bps	-2 bps	-2 bps	\$97.2	5.03%	1.8	A3	0.59%	0.38%	0.38%	0.38%	5.21%	13 bps	8 bps	8 bps	8 bps	125 bps
3-5 Year US Corporate Index	1,780	18.5%	94 bps	-4 bps	1 bps	1 bps	1 bps	\$97.3	4.90%	3.5	A3	0.94%	0.31%	0.31%	0.31%	5.51%	16 bps	0 bps	0 bps	0 bps	265 bps
5-7 Year US Corporate Index	1,216	12.1%	107 bps	-5 bps	-1 bps	-1 bps	-1 bps	\$93.2	4.97%	5.2	BBB1	1.20%	0.22%	0.22%	0.22%	5.58%	26 bps	6 bps	6 bps	6 bps	378 bps
7-10 Year US Corporate Index	1,456	15.0%	128 bps	-4 bps	2 bps	2 bps	2 bps	\$93.6	5.22%	6.8	A3	1.12%	-0.32%	-0.32%	-0.32%	5.05%	22 bps	-17 bps	-17 bps	-17 bps	466 bps
10-15 Year US Corporate Index	560	5.1%	126 bps	-8 bps	-4 bps	-4 bps	-4 bps	\$102.3	5.30%	8.8	A3	1.57%	-0.13%	-0.13%	-0.13%	4.98%	76 bps	42 bps	42 bps	42 bps	597 bps
15+ Year US Corporate Index	3,060	26.5%	112 bps	-9 bps	-5 bps	-5 bps	-5 bps	\$86.0	5.39%	13.6	A3	1.78%	-0.81%	-0.81%	-0.81%	2.70%	124 bps	82 bps	82 bps	82 bps	698 bps
Industry																					
US Corporate Index																					
Industrials	6,053	59.0%	94 bps	-7 bps	-3 bps	-3 bps	-3 bps	\$92.6	5.06%	7.5	A3	1.21%	-0.17%	-0.17%	-0.17%	4.31%	53 bps	30 bps	30 bps	30 bps	440 bps
Consumer Cyclical	348	3.6%	70 bps	-7 bps	-2 bps	-2 bps	-2 bps	\$91.7	4.81%	7.8	A2	1.25%	-0.28%	-0.28%	-0.28%	3.16%	57 bps	25 bps	25 bps	25 bps	347 bps
US Corp Retail	263	2.9%	67 bps	-7 bps	-2 bps	-2 bps	-2 bps	\$91.5	4.77%	7.8	A2	1.27%	-0.27%	-0.27%	-0.27%	3.03%	59 bps	26 bps	26 bps	26 bps	335 bps
US Corp Food & Drug Retail	37	0.3%	114 bps	-2 bps	0 bps	0 bps	0 bps	\$89.6	5.24%	7.6	BBB2	1.02%	-0.27%	-0.27%	-0.27%	3.91%	31 bps	19 bps	19 bps	19 bps	370 bps
US Corp Restaurants	48	0.4%	65 bps	-7 bps	-2 bps	-2 bps	-2 bps	\$94.0	4.79%	8.0	BBB1	1.30%	-0.35%	-0.35%	-0.35%	3.36%	63 bps	21 bps	21 bps	21 bps	400 bps
Consumer Non-Cyclical	601	5.6%	83 bps	-6 bps	-2 bps	-2 bps	-2 bps	\$93.8	4.93%	7.5	A3	1.20%	-0.16%	-0.16%	-0.16%	4.25%	49 bps	27 bps	27 bps	27 bps	422 bps
US Corp Beverage	164	1.8%	64 bps	-6 bps	-2 bps	-2 bps	-2 bps	\$93.5	4.77%	8.5	A3	1.25%	-0.38%	-0.38%	-0.38%	3.29%	55 bps	24 bps	24 bps	24 bps	424 bps
US Corp Food Wholesale	234	1.9%	89 bps	-5 bps	-1 bps	-1 bps	-1 bps	\$93.4	4.98%	7.1	BBB1	1.11%	-0.21%	-0.21%	-0.21%	3.97%	40 bps	16 bps	16 bps	16 bps	364 bps
US Corp Tobacco	80	1.0%	123 bps	-8 bps	-6 bps	-6 bps	-6 bps	\$94.3	5.33%	7.0	BBB1	1.45%	0.31%	0.31%	0.31%	6.89%	74 bps	66 bps	66 bps	66 bps	617 bps
US Corp Consumer Products	123	0.9%	64 bps	-4 bps	-1 bps	-1 bps	-1 bps	\$94.4	4.69%	6.6	A2	1.02%	-0.16%	-0.16%	-0.16%	3.80%	28 bps	10 bps	10 bps	10 bps	297 bps

Source: BofA Global Research, Bloomberg

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Exhibit 8: Recent Sector New Issuance

Consumer/Retail new issuance tracker in reverse chronological order

Issue Date	Ticker	Issuer	Rating (Moody's/S&P)	Size	Coupon	Maturity	New Issue Spread
01/09/2024	STZ	CONSTELLATION BRANDS	Baa3/BBB	\$400	4.800%	01/15/2029	85
01/04/2024	BIMBOA	BIMBO BAKERIES USA	Baa1/BBB+	\$450	6.050%	01/15/2029	115
01/04/2024	BIMBOA	BIMBO BAKERIES USA	Baa1/BBB+	\$800	5.375%	01/09/2036	150
11/27/2023	HD	HOME DEPOT	A2/A	\$500	5.125%	04/30/2025	28
11/27/2023	HD	HOME DEPOT	A2/A	\$750	4.950%	09/30/2026	43
11/27/2023	HD	HOME DEPOT	A2/A	\$750	4.900%	04/15/2029	58
11/15/2023	TPR	TAPESTRY INC	Baa2/BBB	\$500	7.050%	11/27/2025	220
11/15/2023	TPR	TAPESTRY INC	Baa2/BBB	\$750	7.000%	11/27/2026	240
11/15/2023	TPR	TAPESTRY INC	Baa2/BBB	\$1,000	7.350%	11/27/2028	290
11/15/2023	TPR	TAPESTRY INC	Baa2/BBB	\$1,000	7.700%	11/27/2030	320
11/15/2023	TPR	TAPESTRY INC	Baa2/BBB	\$1,250	7.850%	11/27/2033	340
11/13/2023	ORLY	O'REILLY AUTOMOTIVE	Baa1/BBB	\$750	5.750%	11/20/2026	95
11/08/2023	PEP	PEPSICO	A1/A+	\$800	5.250%	11/10/2025	35
11/08/2023	PEP	PEPSICO	A1/A+	\$700	5.125%	11/10/2026	43
11/06/2023	SYN	SYSCO CORP	Baa1/BBB	\$500	5.750%	01/17/2029	120
11/06/2023	SYN	SYSCO CORP	Baa1/BBB	\$500	6.000%	01/17/2034	147
10/30/2023	BIMBOA	BIMBO BAKERIES USA	Baa1/BBB+	\$450	6.050%	01/15/2029	125
10/30/2023	BIMBOA	BIMBO BAKERIES USA	Baa1/BBB+	\$550	6.400%	01/15/2034	155
10/30/2023	MO	ALTRIA	A3/BBB	\$500	6.200%	11/01/2028	145
10/30/2023	MO	ALTRIA	A3/BBB	\$500	6.875%	11/01/2033	205
10/23/2023	GPC	GENUINE PARTS CO	Baa1/BBB	\$425	6.500%	11/01/2028	180
10/23/2023	GPC	GENUINE PARTS CO	Baa1/BBB	\$375	6.875%	11/01/2033	210
10/19/2023	AZO	AUTOZONE	Baa1/BBB	\$500	6.250%	11/01/2028	132
10/19/2023	AZO	AUTOZONE	Baa1/BBB	\$500	6.550%	11/01/2033	162
10/11/2023	SJM	JM SMUCKER	Baa2/BBB	\$750	5.900%	11/15/2028	130
10/11/2023	SJM	JM SMUCKER	Baa2/BBB	\$1,000	6.200%	11/15/2033	160
10/11/2023	SJM	JM SMUCKER	Baa2/BBB	\$750	6.500%	11/15/2043	163
10/11/2023	SJM	JM SMUCKER	Baa2/BBB	\$1,000	6.500%	11/15/2053	180
10/10/2023	GIS	GENERAL MILLS	Baa2/BBB	\$500	5.500%	10/17/2028	103
10/04/2023	DRI	DARDEN RESTAURANTS	Baa2/BBB	\$500	6.300%	10/10/2033	165
10/02/2023	DGELN	DIAGEO CAPITAL	A3/A-	\$800	5.375%	10/05/2026	60
10/02/2023	DGELN	DIAGEO CAPITAL	A3/A-	\$900	5.625%	10/05/2034	100
09/27/2023	PPC	PILGRIM'S PRIDE CORP	Ba2/BBB-	\$500	6.875%	05/15/2034	250
09/06/2023	NESNVX	NESTLE HOLDINGS	A3/AA-	\$500	5.000%	09/12/2028	57
09/06/2023	NESNVX	NESTLE HOLDINGS	A3/AA-	\$500	5.000%	09/12/2030	67
09/06/2023	NESNVX	NESTLE HOLDINGS	A3/AA-	\$500	5.000%	09/12/2033	77
09/05/2023	UNANA	UNILEVER CAPITAL CORP	A1/A+	\$700	4.875%	09/08/2028	55
09/05/2023	UNANA	UNILEVER CAPITAL CORP	A1/A+	\$800	5.000%	12/08/2033	85
09/05/2023	JBSSBZ	JBS USA	Baa3/BBB-	\$1,600	6.750%	03/15/2034	250
09/05/2023	JBSSBZ	JBS USA	Baa3/BBB-	\$900	7.250%	11/15/2053	290
09/05/2023	PM	PHILIP MORRIS INTERNATIONAL	A2/A-	\$650	5.250%	09/07/2028	105
09/05/2023	PM	PHILIP MORRIS INTERNATIONAL	A2/A-	\$700	5.500%	09/07/2030	135
09/05/2023	PM	PHILIP MORRIS INTERNATIONAL	A2/A-	\$1,000	5.625%	09/07/2033	160
08/14/2023	MCD	MCDONALD'S CORP	Baa1/BBB+	\$600	4.800%	08/14/2028	68
08/14/2023	MCD	MCDONALD'S CORP	Baa1/BBB+	\$600	4.950%	08/14/2033	98
08/14/2023	MCD	MCDONALD'S CORP	Baa1/BBB+	\$800	5.450%	08/14/2053	128
07/31/2023	BATSLN	BRITISH AMERICAN TOBACCO	Baa2/BBB+	\$1,000	5.931%	02/02/2029	175
07/31/2023	BATSLN	BRITISH AMERICAN TOBACCO	Baa2/BBB+	\$1,000	6.343%	08/02/2030	225
07/31/2023	BATSLN	BRITISH AMERICAN TOBACCO	Baa2/BBB+	\$1,250	6.421%	08/02/2033	245
07/31/2023	BATSLN	BRITISH AMERICAN TOBACCO	Baa2/BBB+	\$750	7.079%	08/02/2043	285
07/31/2023	BATSLN	BRITISH AMERICAN TOBACCO	Baa2/BBB+	\$1,000	7.081%	08/02/2053	305
07/18/2023	AZO	AUTOZONE	Baa1/BBB	\$450	5.050%	07/15/2026	75
07/18/2023	AZO	AUTOZONE	Baa1/BBB	\$300	5.200%	08/01/2033	143
07/17/2023	CAG	CONAGRA BRANDS	Baa3/BBB-	\$500	5.300%	10/01/2026	100
06/06/2023	BACARD	BACARDI	Baa3/BBB-	\$400	5.250%	01/15/2029	140
06/06/2023	BACARD	BACARDI	Baa3/BBB-	\$700	5.400%	06/15/2033	175
06/06/2023	BACARD	BACARDI	Baa3/BBB-	\$400	5.900%	06/15/2043	190
06/05/2023	DG	DOLLAR GENERAL	Baa2/BBB	\$500	5.200%	07/05/2028	137
06/05/2023	DG	DOLLAR GENERAL	Baa2/BBB	\$1,000	5.450%	07/05/2033	177
05/09/2023	EL	ESTEE LAUDER	A1/A+	\$700	4.375%	05/15/2028	90
05/09/2023	EL	ESTEE LAUDER	A1/A+	\$700	4.650%	05/15/2033	115
05/09/2023	EL	ESTEE LAUDER	A1/A+	\$600	5.150%	05/15/2053	135
05/01/2023	HSY	HERSHEY	A1/A	\$350	4.250%	05/04/2028	67
05/01/2023	HSY	HERSHEY	A1/A	\$400	4.500%	05/04/2033	97
05/01/2023	TSCO	TRACTOR SUPPLY	Baa1/BBB	\$750	5.250%	05/15/2033	175
04/27/2023	STZ	CONSTELLATION BRANDS	Baa3/BBB	\$750	4.900%	05/01/2033	147

Source: BofA Global Research, Bloomberg Data excludes FRN

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**Exhibit 9: Retail Historical Spread & Return Monitor**

Benchmark spreads and credit metrics by issuer

Issuer	Coupon	Maturity	Outstanding (\$mil)	Ratings Mdy/S&P/Fit	Outlook	Current Pricing			5-yr CDS	Revenue	LTM			Net FCF	Credit Metrics				
						Bid	YTW	G- spd			T- spd	EBITDAR	Debt		Cash	Total Debt/ EBITDAR	Net Debt/ EBITDAR	EV / EBITDAR	
Walmart Inc (WMT)	4.100%	4/15/2033	\$1,500	Aa2 / AA / AA	S / S / S	\$97.8	4.39%	40	37	30	\$638,785	\$40,114	\$69,739	\$12,154	\$4,333	1.7x	1.4x	\$497,686	11.8x
Walmart Inc (WMT)	4.500%	4/15/2053	\$1,500	Aa2 / AA / AA	S / S / S	\$95.2	4.81%	60	59										
Costco Wholesale Corp (COST)	1.600%	4/20/2030	\$1,750	Aa3 / A+ / --	S / S / --	\$84.9	4.38%	44	39	39	\$238,710	\$10,798	\$8,884	\$13,700	\$4,818	0.8x	-0.5x	\$290,370	21.6x
Costco Wholesale Corp (COST)	1.750%	4/20/2032	\$1,000	Aa3 / A+ / --	S / S / --	\$81.8	4.41%	43	39										
Nike Inc (NKE)	2.850%	3/27/2030	\$1,500	A1 / AA- / --	S / S / --	\$91.6	4.41%	46	41	76	\$51,469	\$7,294	\$12,177	\$6,178	(\$2,558)	2.1x	1.3x	\$162,701	22.6x
Nike Inc (NKE)	3.375%	3/27/2050	\$1,500	A1 / AA- / --	S / S / --	\$79.3	4.76%	52	51										
Target Corp (TGT)	4.400%	1/15/2033	\$500	A2 / A / A	S / S / S	\$99.5	4.47%	48	44	41	\$106,518	\$7,783	\$18,442	\$1,910	\$1,518	2.4x	2.1x	\$83,001	13.3x
Target Corp (TGT)	4.800%	1/15/2053	\$1,150	A2 / A / A	S / S / S	\$97.1	4.99%	78	77										
TJX Companies Inc (TJX)	1.600%	5/15/2031	\$500	A2 / A / --	S / S / --	\$82.3	4.46%	48	45	197	\$52,326	\$8,340	\$2,861	\$4,290	\$1,465	1.5x	1.0x	\$116,783	13.2x
TJX Companies Inc (TJX)	4.500%	4/15/2050	\$385	A2 / A / --	S / S / --	\$92.6	5.01%	76	76										
Ralph Lauren Corp (RL)	2.950%	6/15/2030	\$750	A3 / A- / --	S / S / --	\$90.8	4.63%	68	63	--	\$6,503	\$882	\$2,882	\$1,382	(\$493)	3.3x	1.7x	\$10,520	7.0x
Amazon.com Inc (AMZN)	3.600%	4/13/2032	\$2,500	A1 / AA / AA-	S / S / S	\$94.0	4.48%	48	47										
Amazon.com Inc (AMZN)	3.950%	4/13/2052	\$2,500	A1 / AA / AA-	S / S / S	\$85.7	4.89%	65	66										
Ross Stores Inc (ROST)	1.875%	4/15/2031	\$500	A2 / BBB+ / --	S / S / --	\$82.0	4.85%	88	84	--	\$19,569	\$3,436	\$5,780	\$4,499	\$595	1.7x	0.4x	\$47,326	13.6x
Best Buy Co Inc (BBY)	1.950%	10/1/2030	\$650	A3 / BBB+ / --	S / S / --	\$82.5	5.05%	112	105	66	\$43,541	\$3,478	\$4,029	\$636	(\$239)	1.2x	1.0x	\$19,472	5.7x
Home Depot Inc (HD)	4.500%	9/15/2032	\$1,250	A2 / A / A	S / S / S	\$99.8	4.53%	54	50	27	\$153,714	\$26,741	\$49,255	\$2,058	\$1,810	2.0x	1.9x	\$402,038	13.1x
Home Depot Inc (HD)	4.950%	9/15/2052	\$1,000	A2 / A / A	S / S / S	\$99.9	4.95%	73	73										
Lowe's Companies Inc (LOW)	5.000%	4/15/2033	\$1,250	Baa1 / BBB+ / --	S / S / --	\$101.0	4.86%	87	84	40	\$90,219	\$14,739	\$40,053	\$1,531	(\$4,932)	2.7x	2.6x	\$165,139	10.8x
Lowe's Companies Inc (LOW)	5.625%	4/15/2053	\$1,500	Baa1 / BBB+ / --	S / S / --	\$103.5	5.38%	118	116										
VF Corp (VFC)	2.950%	4/23/2030	\$750	Baa3 / BBB / --	N / N / --	\$83.2	6.24%	229	224	166	\$11,391	\$1,521	\$8,151	\$499	(\$1,527)	5.4x	5.0x	\$13,899	9.0x
Tractor Supply (TSCO)	1.750%	11/1/2030	\$650	Baa1 / BBB+ / --	S / S / --	\$81.5	5.00%	104	99	--	\$14,902	\$2,323	\$4,977	\$422	(\$207)	2.1x	2.0x	\$28,513	13.0x
AutoZone Inc (AZO)	4.750%	8/1/2032	\$750	Baa1 / BBB / BBB	S / S / S	\$97.7	5.08%	110	106	38	\$17,457	\$4,471	\$7,669	\$277	(\$1,373)	2.3x	2.3x	\$55,537	12.4x
AutoZone Inc (AZO)	6.550%	11/1/2033	\$500	Baa1 / BBB / BBB	S / S / S	\$109.4	5.29%	129	126										
O' Reilly Automotive (ORLY)	1.750%	3/15/2031	\$500	Baa1 / BBB / --	S / S / --	\$80.7	5.00%	101	99	--	\$15,625	\$4,011	\$7,384	\$83	(\$533)	1.9x	1.9x	\$63,187	16.1x
O' Reilly Automotive (ORLY)	4.700%	6/15/2032	\$850	Baa1 / BBB / --	S / S / --	\$98.0	5.00%	101	98										
Genuine Parts Co. (GPC)	2.750%	2/1/2032	\$500	Baa1 / BBB / --	S / S / --	\$82.9	5.41%	140	139	--	\$23,028	\$2,387	\$4,237	\$655	(\$82)	2.3x	2.1x	\$23,005	12.4x
Genuine Parts Co. (GPC)	6.875%	11/1/2033	\$375	Baa1 / BBB / --	S / S / --	\$110.1	5.51%	151	148										
Advance Auto Parts (AAP)	3.900%	4/15/2030	\$500	Baa2 / BB+ / --	N / S / --	\$89.0	6.04%	209	205	--	\$11,296	\$1,350	\$4,462	\$318	(\$293)	3.3x	2.9x	\$7,393	7.8x
Advance Auto Parts (AAP)	3.500%	3/15/2032	\$501	Baa2 / BB+ / --	N / S / --	\$82.8	6.23%	227	221										
Dollar General Corp (DG)	5.450%	7/5/2033	\$1,000	Baa2 / BBB / --	S / S / --	\$100.9	5.33%	133	130	--	\$39,036	\$5,400	\$18,087	\$365	(\$1,160)	3.3x	3.3x	\$47,103	11.9x
Dollar General Corp (DG)	5.500%	11/1/2052	\$300	Baa2 / BBB / --	S / S / --	\$95.2	5.84%	160	162										
Dollar Tree Inc (DLTR)	2.650%	12/1/2031	\$800	Baa2 / BBB / --	S / S / --	\$84.1	5.14%	115	112	--	\$29,685	\$3,875	\$10,688	\$445	\$175	2.8x	2.6x	\$39,475	9.2x
Dollar Tree Inc (DLTR)	3.375%	12/1/2051	\$400	Baa2 / BBB / --	S / S / --	\$67.5	5.72%	149	149										
Tapestry Inc (TPR)	3.050%	3/15/2032	\$500	Baa2 *- / BBB / --	UR / N / --	\$79.8	6.25%	226	223	--	\$6,668	\$1,699	\$3,247	\$622	\$144	1.9x	1.5x	\$11,242	7.4x
Tapestry Inc (TPR)	7.850%	11/27/2033	\$1,250	Baa2 *- / BBB / --	UR / N / --	\$105.9	7.00%	300	297										
PVH Corp. (PVH)	4.625%	7/10/2025	\$499	Baa3 / BBB- / --	P / P / --	\$98.3	5.84%	135	125	--	\$9,217	\$1,463	\$3,660	\$358	(\$4)	2.5x	2.3x	\$10,642	5.7x
Dick's Sporting Goods (DKS)	3.150%	1/15/2032	\$750	Baa3 / BBB / --	S / S / --	\$84.8	5.54%	155	152	--	\$12,705	\$1,608	\$4,205	\$1,406	(\$64)	2.6x	1.7x	\$14,259	5.2x
Dick's Sporting Goods (DKS)	4.100%	1/15/2052	\$750	Baa3 / BBB / --	S / S / --	\$71.2	6.30%	207	207										
Nordstrom Inc (JWN)	4.250%	8/1/2031	\$425	Ba1 / BB+ / BB+	N / N / S	\$83.3	7.16%	307	315	197	\$14,592	\$1,473	\$4,496	\$375	\$189	3.1x	2.8x	\$7,098	4.8x
Nordstrom Inc (JWN)	5.000%	1/15/2044	\$966	Ba1 / BB+ / BB+	N / N / S	\$71.0	7.91%	348	357										
Kohl's Corporation (KSS)	4.625%	5/1/2031	\$500	Ba3 / BB / BBB-	N / N / N	\$78.5	8.66%	461	465	197	\$17,539	\$1,142	\$8,046	\$190	\$278	7.0x	6.9x	\$10,815	8.3x
Kohl's Corporation (KSS)	5.550%	7/17/2045	\$427	Ba3 / BB / BBB-	N / N / N	\$66.5	9.14%	474	481										

Source: BofA Global Research, Bloomberg

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Exhibit 10: Restaurant, Food & Drug Retail Historical Spread & Return Monitor

Benchmark spread and credit metrics by issuer

																	Credit Metrics			
																	Total Debt/	Net Debt/	EV /	
		Outstanding	Ratings		Current Pricing			5-yr	LTM		Net									
Issuer	Coupon	Maturity	(\$mil)	Mdy/S&P/Fit	Outlook	Bid	YTW	G- spd	T- spd	CDS	Revenue	EBITDAR	Debt	Cash	FCF	EBITDAR	EBITDAR	EV	EBITDAR	
Starbucks Corp (SBUX)	2.250%	3/12/2030	\$750	Baa1 / BBB+ / --	S / S / --	\$87.0	4.70%	76	71	--	\$35,976	\$8,741	\$24,600	\$3,953	\$426	2.8x	2.4x	\$126,299	14.1x	
Starbucks Corp (SBUX)	2.550%	11/15/2030	\$1,250	Baa1 / BBB+ / --	S / S / --	\$87.6	4.69%	73	69											
Starbucks Corp (SBUX)	3.000%	2/14/2032	\$1,000	Baa1 / BBB+ / --	S / S / --	\$89.0	4.64%	66	62											
Starbucks Corp (SBUX)	4.800%	2/15/2033	\$500	Baa1 / BBB+ / --	S / S / --	\$100.7	4.71%	72	68											
Starbucks Corp (SBUX)	3.350%	3/12/2050	\$500	Baa1 / BBB+ / --	S / S / --	\$72.8	5.28%	101	102											
Starbucks Corp (SBUX)	3.500%	11/15/2050	\$1,250	Baa1 / BBB+ / --	S / S / --	\$76.0	5.16%	93	92											
McDonald's Corp (MCD)	3.600%	7/1/2030	\$1,000	Baa1 / BBB+ / --	S / S / --	\$94.1	4.68%	73	68	29	\$25,014	\$15,156	\$49,082	\$3,496	\$358	3.3x	3.1x	\$259,613	17.3x	
McDonald's Corp (MCD)	4.600%	9/9/2032	\$750	Baa1 / BBB+ / --	S / S / --	\$100.5	4.53%	55	51											
McDonald's Corp (MCD)	4.950%	8/14/2033	\$600	Baa1 / BBB+ / --	S / S / --	\$101.3	4.77%	78	75											
McDonald's Corp (MCD)	4.200%	4/1/2050	\$750	Baa1 / BBB+ / --	S / S / --	\$85.7	5.20%	93	95											
McDonald's Corp (MCD)	5.150%	9/9/2052	\$750	Baa1 / BBB+ / --	S / S / --	\$99.2	5.20%	99	98											
McDonald's Corp (MCD)	5.450%	8/14/2053	\$800	Baa1 / BBB+ / --	S / S / --	\$103.7	5.20%	99	99											
Kroger Co (KR)	1.700%	1/15/2031	\$500	Baa1 / BBB / --	N / N / --	\$80.1	5.12%	114	111	53	\$147,798	\$7,946	\$19,839	\$1,725	\$1,330	2.5x	2.3x	\$51,082	6.2x	
Kroger Co (KR)	5.400%	1/15/2049	\$600	Baa1 / BBB / --	N / N / --	\$98.7	5.49%	120	122											
Kroger Co (KR)	3.950%	1/15/2050	\$750	Baa1 / BBB / --	N / N / --	\$80.0	5.39%	113	113											
7-Eleven Inc. (SVELEV)	1.800%	2/10/2031	\$1,700	Baa2 / A / --	S / S / --	\$80.7	5.08%	113	107	--	--	--	--	--	--	--	--	--	--	
7-Eleven Inc. (SVELEV)	2.800%	2/10/2051	\$1,250	Baa2 / A / --	S / S / --	\$63.5	5.38%	113	113											
Alimentation Couche-Tard (ATDBCN)	2.950%	1/25/2030	\$750	Baa1 / BBB+ / --	S / S / --	\$89.4	5.00%	107	101	--	\$68,368	\$5,791	\$9,466	\$1,405	(\$229)	1.6x	1.4x	\$66,320	10.1x	
Alimentation Couche-Tard (ATDBCN)	3.625%	5/13/2051	\$350	Baa1 / BBB+ / --	S / S / --	\$72.8	5.58%	134	134											
Darden Restaurant Inc (DRI)	3.850%	5/1/2027	\$500	Baa2 / BBB / BBB	S / S / S	\$96.9	4.86%	85	77	47	\$10,772	\$3,875	\$8,965	\$192	(\$157)	3.4x	3.3x	\$25,911	12.8x	
Darden Restaurant Inc (DRI)	6.300%	10/10/2033	\$500	Baa2 / BBB / BBB	S / S / S	\$106.1	5.47%	147	144											
Darden Restaurant Inc (DRI)	4.550%	2/15/2048	\$300	Baa2 / BBB / BBB	S / S / S	\$83.2	5.86%	158	158											
Albertson Cos Inc (ACI)	4.875%	2/15/2030	\$1,000	Ba3 *+ / BB+ *+ / --	-- / -- / --	\$95.5	5.76%	182	177	109	\$79,163	\$3,862	\$15,036	\$223	(\$3,537)	3.9x	3.8x	\$27,686	5.5x	

Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH



**Exhibit 11: Consumer Products Historical Spread & Return Monitor**

Benchmark spread and credit metrics by issuer

																Credit Metrics				
		Outstanding		Ratings		Current Pricing				5-yr		LTM			Net	Total Debt/	Net Debt/	EV /		
Issuer	Coupon	Maturity	(\$mil)	Mdy/S&P/Fit	Outlook	Bid	YTW	G- spd	T- spd	CDS	Revenue	EBITDA	Debt	Cash	FCF	EBITDA	EBITDA	EV	EBITDA	
Procter & Gamble (PG)	2.300%	2/1/2032	\$850	Aa3 / AA- / --	S / S / --	\$86.9	4.25%	27	23	30	\$83,265	\$22,375	\$35,880	\$9,733	\$2,091	1.6x	1.2x	\$382,015	18.1x	
Procter & Gamble (PG)	4.050%	1/26/2033	\$850	Aa3 / AA- / --	S / S / --	\$98.7	4.22%	23	19											
Procter & Gamble (PG)	3.600%	3/25/2050	\$491	Aa3 / AA- / --	S / S / --	\$85.8	4.53%	28	27											
Colgate-Palmolive Co (CL)	3.250%	8/15/2032	\$500	Aa3 / AA- / --	S / N / --	\$91.6	4.44%	44	42	35	\$19,136	\$4,455	\$8,724	\$951	(\$136)	2.1x	1.9x	\$74,272	16.8x	
Colgate-Palmolive Co (CL)	4.600%	3/1/2033	\$500	Aa3 / AA- / --	S / N / --	\$101.9	4.34%	33	32											
Colgate-Palmolive Co (CL)	3.700%	8/1/2047	\$500	Aa3 / AA- / --	S / N / --	\$85.5	4.72%	43	43											
Unilever Capital Corp (UNANA)	1.750%	8/12/2031	\$850	A1 / A+ / Au	S / S / S	\$81.9	4.62%	62	60	22	\$60,878	\$10,350	\$29,386	\$4,994	(\$284)	2.8x	2.4x	\$137,328	12.7x	
Unilever Capital Corp (UNANA)	5.000%	12/8/2033	\$800	A1 / A+ / Au	S / S / S	\$102.7	4.65%	66	62											
Unilever Capital Corp (UNANA)	2.625%	8/12/2051	\$650	A1 / A+ / Au	S / S / S	\$67.0	4.79%	56	56											
Kimberly-Clark Corp (KMB)	2.000%	11/2/2031	\$600	A2 / A / --	S / S / --	\$83.9	4.47%	47	45	48	\$20,425	\$3,752	\$8,090	\$814	\$978	2.2x	2.0x	\$49,280	15.4x	
Kimberly-Clark Corp (KMB)	4.500%	2/16/2033	\$350	A2 / A / --	S / S / --	\$99.9	4.52%	52	49											
Kimberly-Clark Corp (KMB)	2.875%	2/7/2050	\$500	A2 / A / --	S / S / --	\$70.0	4.93%	67	67											
SC Johnson & Son Inc (SCJOHN)	4.750%	10/15/2046	\$850	A- / BBB+ / --	S / N / --	\$91.2	5.43%	112	112	--	--	--	--	--	--	--	--	--	--	
Estee Lauder Co Inc (EL)	4.650%	5/15/2033	\$700	A1 / A / --	N / N / --	\$98.9	4.79%	80	77	--	\$15,545	\$2,032	\$8,093	\$3,090	(\$283)	4.2x	3.0x	\$57,426	25.6x	
Estee Lauder Co Inc (EL)	5.150%	5/15/2053	\$600	A1 / A / --	N / N / --	\$100.1	5.14%	93	92											
Kenvue (KVUE)	5.000%	3/22/2030	\$973	A1 / A / --	S / S / --	\$102.6	4.50%	53	50	--	\$14,950	\$3,624	\$8,198	\$1,062	\$2,119	2.3x	2.0x	\$45,076	12.4x	
Kenvue (KVUE)	4.900%	3/22/2033	\$1,224	A1 / A / --	S / S / --	\$101.7	4.67%	68	64											
Kenvue (KVUE)	5.050%	3/22/2053	\$1,500	A1 / A / --	S / S / --	\$101.4	4.96%	75	73											
Reckitt Benckiser TSY (RKTLLN)	3.000%	6/26/2027	\$2,500	A3 / A- / --	S / S / --	\$95.0	4.60%	58	52	--	£13,234	£3,239	£9,637	£1,259	£1,258	3.0x	2.6x	£53,852	16.6x	
Church & Dwight Co Inc (CHD)	5.600%	11/15/2032	\$500	A3 / BBB+ / --	S / S / --	\$106.4	4.69%	70	67	--	\$5,776	\$1,307	\$2,405	\$573	\$792	1.9x	1.5x	\$26,029	17.7x	
Church & Dwight Co Inc (CHD)	3.950%	8/1/2047	\$400	A3 / BBB+ / --	S / S / --	\$82.3	5.27%	96	97											
Church & Dwight Co Inc (CHD)	5.000%	6/15/2052	\$500	A3 / BBB+ / --	S / S / --	\$98.2	5.12%	89	89											
Clorox Company (CLX)	1.800%	5/15/2030	\$500	Baa1 / BBB+ / --	S / N / --	\$83.2	4.92%	97	92	77	\$7,035	\$1,074	\$2,913	\$518	\$247	2.9x	2.5x	\$20,559	15.8x	
Clorox Company (CLX)	4.600%	5/1/2032	\$600	Baa1 / BBB+ / --	S / N / --	\$98.8	4.78%	80	76											
Haleon Plc (HLNLLN)	3.625%	3/24/2032	\$1,998	Baa1 / BBB / --	S / -- / --	\$91.82	4.85%	87	83	--	£9,545	£2,413	£9,782	£405	£25	4.1x	3.9x	\$40,479	16.8x	
Haleon Plc (HLNLLN)	4.000%	3/24/2052	\$1,000	Baa1 / BBB / --	S / -- / --	\$83.9	5.08%	86	85											
Whirlpool Corp (WHR)	4.700%	5/14/2032	\$300	Baa1 / BBB / BBB	N / N / N	\$95.7	5.35%	134	133	139	\$19,290	\$1,489	\$7,664	\$1,123	(\$197)	5.3x	4.4x	\$13,904	7.4x	
Whirlpool Corp (WHR)	5.500%	3/1/2033	\$300	Baa1 / BBB / BBB	N / N / N	\$101.1	5.34%	135	132											
Whirlpool Corp (WHR)	4.600%	5/15/2050	\$500	Baa1 / BBB / BBB	N / N / N	\$82.8	5.89%	164	164											
Hasbro Inc (HAS)	3.900%	11/19/2029	\$900	Baa2 / BBB / BBB-	N / N / S	\$93.2	5.27%	134	128	99	\$5,393	\$1,026	\$3,715	\$186	(\$146)	3.6x	3.5x	\$10,570	7.7x	
Hasbro Inc (HAS)	5.100%	5/15/2044	\$300	Baa2 / BBB / BBB-	N / N / S	\$90.9	5.87%	154	153											
Brunswick Corp (BC)	2.400%	8/18/2031	\$550	Baa2 / BBB- / BBB	S / S / S	\$80.2	5.64%	166	162	197	\$6,622	\$1,083	\$2,635	\$331	(\$361)	2.4x	2.1x	\$8,290	5.7x	
Brunswick Corp (BC)	4.400%	9/15/2032	\$450	Baa2 / BBB- / BBB	S / S / S	\$90.4	5.83%	184	181											
Brunswick Corp (BC)	5.100%	4/1/2052	\$300	Baa2 / BBB- / BBB	S / S / S	\$79.0	6.78%	255	255											
Mattel Inc (MAT)	3.750%	4/1/2029	\$600	Baa3 / BBB- / BB+	S / P / P	\$91.4	5.69%	175	171	244	\$5,222	\$679	\$2,672	\$456	\$256	3.9x	3.3x	\$8,645	7.8x	
Newell Brands Inc (NWL)	6.625%	9/15/2029	\$500	Ba2 / BB / BB-	N / N / S	\$98.0	7.06%	311	307	389	\$8,342	\$1,226	\$6,010	\$396	(\$1,294)	4.9x	4.6x	\$8,918	9.1x	
Newell Brands Inc (NWL)	6.500%	4/1/2046	\$666	Ba2 / BB / BB-	N / N / S	\$81.3	8.37%	408	406											

Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

Exhibit 12: Packaged Food Spread & Return Monitor

Benchmark spread and credit metrics by issuer

Issuer	Coupon	Maturity	Outstanding (\$mil)	Ratings Mdy/S&P/Fit	Outlook	Current Pricing				5-yr CDS	Revenue	EBITDA	Debt	Cash	FCF	Credit Metrics			
						Bid	YTW	G- spd	T- spd							Net	Total Debt/	Net Debt/	EV /
EBITDA	EBITDA	EV	EBITDA																
Nestle Holdings Inc. (NESNVX)	4.8500%	3/14/2033	\$650	Aa3 / AA- / A+	S / S / S	\$101.2	4.69%	61	66	29	CHF 95,498	CHF 16,476	CHF 53,501	CHF 3,667	(CHF 11,485)	3.2x	3.0x	\$314,074	18.5x
Nestle Holdings Inc. (NESNVX)	4.7000%	1/15/2053	\$1,000	Aa3 / AA- / A+	S / S / S	\$98.1	4.82%	62	60										
Hershey Company (HSY)	4.5000%	5/4/2033	\$400	A1 / A / --	S / S / --	\$99.9	4.51%	53	48	30	\$11,160	\$3,113	\$4,914	\$471	\$521	1.7x	1.6x	\$43,699	18.4x
Hershey Company (HSY)	2.6500%	6/1/2050	\$350	A1 / A / --	S / S / --	\$67.1	4.88%	62	62										
Mars Inc. (MARS)	1.6250%	7/16/2032	\$700	A1 / A+ / --	S / S / --	\$78.9	4.66%	67	64	--	--	--	--	--	--	--	--	--	--
Mars Inc. (MARS)	2.4500%	7/16/2050	\$400	A1 / A+ / --	S / S / --	\$61.3	5.14%	89	89										
Hormel Foods (HRL)	1.8000%	6/11/2030	\$1,000	A1 / A- / --	S / S / --	\$84.9	4.55%	61	55	--	\$12,195	\$1,325	\$3,481	\$737	\$172	2.6x	2.1x	\$20,105	14.3x
Hormel Foods (HRL)	3.0500%	6/3/2051	\$600	A1 / A- / --	S / S / --	\$70.4	5.06%	82	82										
Archer-Daniels-Midland Co (ADM)	4.5000%	8/15/2033	\$500	A2 / A / A	S / S / S	\$99.1	4.62%	63	59	50	\$97,188	\$3,306	\$10,288	\$1,498	(\$190)	3.1x	2.7x	\$45,409	10.9x
Archer-Daniels-Midland Co (ADM)	2.7000%	9/15/2051	\$750	A2 / A / A	S / S / S	\$66.2	4.96%	72	72										
Cargill Inc (CARGIL)	4.7500%	4/24/2033	\$500	A2 / A / A	S / S / S	\$98.6	4.94%	82	92	54	--	--	--	--	--	--	--	--	--
Cargill Inc (CARGIL)	4.3750%	4/22/2052	\$500	A2 / A / A	S / S / S	\$89.6	5.07%	82	84										
Danone SA (BNFP)	0.3950%	6/10/2029	\$800	Baa1 / BBB+ / --	S / S / --	\$86.9	3.06%	89	91	37	\$28,503	\$4,787	\$14,799	\$1,880	\$853	3.1x	2.7x	\$52,577	10.1x
Mondelez International Holdings Netherlands BV (MIHN)	1.2500%	9/24/2026	\$350	A3 / BBB / --	S / S / --	\$91.2	4.77%	66	59										
Mondelez International (MDLZ)	3.0000%	3/17/2032	\$750	Baa1 / BBB / --	S / S / --	\$88.1	4.77%	77	75	48	\$35,397	\$6,803	\$19,986	\$1,610	\$530	3.2x	2.9x	\$117,913	17.8x
Mondelez International (MDLZ)	2.6250%	9/4/2050	\$1,125	Baa1 / BBB / WD	S / S / --	\$65.3	5.00%	73	75										
Ingredion Inc (INGR)	2.9000%	6/1/2030	\$600	Baa1 / BBB / BBB	S / S / S	\$88.9	4.95%	100	95	--	\$8,226	\$1,148	\$2,406	\$335	\$123	2.2x	1.9x	\$9,240	8.4x
Ingredion Inc (INGR)	3.9000%	6/1/2050	\$400	Baa1 / BBB / BBB	S / S / S	\$73.7	5.87%	160	162										
Sysco Corporation (SYF)	2.4500%	12/14/2031	\$450	Baa1 / BBB / BBB	S / S / S	\$84.0	4.92%	93	90	63	\$76,818	\$3,954	\$11,698	\$569	\$739	3.0x	2.8x	\$49,219	11.4x
Sysco Corporation (SYF)	6.0000%	1/17/2034	\$500	Baa1 / BBB / BBB	S / S / S	\$107.5	5.02%	102	99										
Sysco Corporation (SYF)	3.1500%	12/14/2051	\$800	Baa1 / BBB / BBB	S / S / S	\$70.1	5.19%	95	95										
McCormick & Co (MKC)	4.9500%	4/15/2033	\$500	Baa2 / BBB / --	S / N / --	\$99.7	4.99%	101	96	--	\$6,605	\$1,311	\$4,777	\$155	\$344	3.6x	3.6x	\$22,296	24.0x
McCormick & Co (MKC)	4.2000%	8/15/2047	\$300	Baa2 / BBB / --	S / N / --	\$84.0	5.41%	112	112										
General Mills Inc (GIS)	4.9500%	3/29/2033	\$1,000	Baa2 / BBB / --	S / S / --	\$99.8	4.98%	98	96	40	\$20,281	\$4,109	\$12,282	\$491	(\$516)	3.1x	3.0x	\$48,121	14.8x
General Mills Inc (GIS)	3.0000%	2/1/2051	\$605	Baa2 / BBB / --	S / S / --	\$66.8	5.34%	107	109										
Kellogg Co (K)	5.2500%	3/1/2033	\$400	Baa2 / BBB / BBB	S / N / S	\$101.3	5.07%	107	105	69	\$15,866	\$2,536	\$7,674	\$1,099	\$440	3.7x	3.3x	\$25,738	12.7x
Kellogg Co (K)	4.5000%	4/1/2046	\$650	Baa2 / BBB / BBB	S / N / S	\$87.6	5.47%	114	115										
Flowers Foods Inc (FLO)	2.4000%	3/15/2031	\$500	Baa2 / BBB / BBB	S / S / S	\$84.0	5.09%	110	108	--	\$5,044	\$571	\$1,175	\$15	(\$29)	2.1x	2.0x	\$6,039	12.5x
JM Smucker Co (SJM)	6.2000%	11/15/2033	\$1,000	Baa2 / BBB / --	S / N / --	\$107.7	5.17%	117	114	--	\$8,461	\$1,668	\$4,495	\$241	(\$229)	2.6x	2.4x	\$17,389	11.5x
JM Smucker Co (SJM)	6.5000%	11/15/2053	\$1,000	Baa2 / BBB / --	S / N / --	\$112.6	5.62%	141	140										
Tyson Foods Inc (TSN)	4.3500%	3/1/2029	\$1,000	Baa2 / BBB / BBB	N / S / S	\$96.5	5.13%	123	115	72	\$52,999	\$2,149	\$9,506	\$573	(\$1,200)	4.4x	4.2x	\$28,927	11.4x
Tyson Foods Inc (TSN)	5.1000%	9/28/2048	\$1,500	Baa2 / BBB / BBB	N / S / S	\$90.0	5.87%	159	159										
Campbell Soup Co (CPB)	2.3750%	4/24/2030	\$500	Baa2 / BBB- / BBB *	S / S / --	\$86.5	4.89%	95	89	48	\$9,357	\$1,753	\$4,689	\$189	\$206	2.9x	2.8x	\$17,864	10.1x
Campbell Soup Co (CPB)	3.1250%	4/24/2050	\$500	Baa2 / BBB- / BBB *	S / S / --	\$66.9	5.53%	127	127										
Conagra Brands Inc (CAG)	7.0000%	10/1/2028	\$382	Baa3 / BBB- / BBB-	S / S / S	\$107.5	5.18%	122	119	48	\$12,277	\$2,586	\$9,274	\$93	\$61	3.6x	3.6x	\$22,821	11.1x
Conagra Brands Inc (CAG)	5.4000%	11/1/2048	\$1,000	Baa3 / BBB- / BBB-	S / S / S	\$93.5	5.90%	164	162										
Kraft Heinz Foods Co (KHC)	3.7500%	4/1/2030	\$741	Baa2 / BBB / BBB	S / P / S	\$94.4	4.81%	84	82	54	\$27,161	\$6,400	\$19,878	\$1,053	\$545	3.1x	2.9x	\$65,101	10.2x
Kraft Heinz Foods Co (KHC)	4.3750%	6/1/2046	\$2,786	Baa2 / BBB / BBB	S / P / S	\$86.0	5.46%	118	115										
Kraft Heinz Foods Co (KHC)	4.8750%	10/1/2049	\$1,450	Baa2 / BBB / BBB	S / P / S	\$92.9	5.39%	114	113										
JBS USA (JBSSBZ)	6.7500%	3/15/2034	\$1,600	Baa3 / BBB- / BBB-	S / S / S	\$104.7	6.11%	211	207	--	R\$ 360,341	R\$ 16,494	R\$ 101,338	R\$ 26,790	-R\$ 5,989	6.1x	4.5x	R\$ 146,844	4.0x
JBS USA (JBSSBZ)	7.2500%	11/15/2053	\$900	Baa3 / BBB- / BBB-	S / S / S	\$107.5	6.66%	246	245										
Pilgrim's Pride (PPC)	6.2500%	7/1/2033	\$1,000	Ba2 / BBB- / BBB-	S / N / S	\$102.9	5.84%	186	182	--	\$16,961	\$670	\$3,596	\$899	(\$17)	5.4x	4.0x	\$9,705	5.2x
Pilgrim's Pride (PPC)	6.8750%	5/15/2034	\$500	Ba2 / BBB- / BBB-	S / N / S	\$107.6	5.86%	185	182										
Smithfield Foods Inc (SFD)	2.6250%	9/13/2031	\$500	Ba1 / BBB- / BBB	S / S / S	\$77.0	6.49%	251	247	48	--	--	--	--	--	--	--	--	--

Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH





Exhibit 13: Beverages Historical Spread & Return Monitor

Benchmark spread and credit metrics by issuer

																Credit Metrics				
	Outstanding			Ratings	Current Pricing				5-yr		LTM				Net	Total Debt/		Net Debt/		EV /
					Bid	YTW	G- spd	T- spd								EBITDA	EBITDA	EV	EBITDA	
	Issuer	Coupon	Maturity	(\$mil)	Mdy/S&P/Fit	Outlook					CDS	Revenue	EBITDA	Debt	Cash	FCF				
The Coca-Cola Co. (KO)	2.250%	1/5/2032	\$2,000	A1 / A+ / WD	S / S / --	\$86.2	4.32%	35	31	48	\$45,031	\$16,079	\$40,171	\$11,883	\$1,741	2.5x	1.5x	\$284,827	21.5x	
The Coca-Cola Co. (KO)	3.000%	3/5/2051	\$1,700	A1 / A+ / WD	S / S / --	\$73.9	4.71%	48	47											
Coca-Cola European Partners (CCEP)	1.500%	1/15/2027	\$500	Baa1 / -- / BBB+	S / -- / S	\$90.5	4.95%	90	84	--	\$18,017	\$3,096	\$11,907	\$1,112	\$1,539	3.8x	3.5x	\$37,221	11.1x	
PepsiCo Inc (PEP)	4.450%	2/15/2033	\$1,000	A1 / A+ / --	S / S / --	\$100.8	4.35%	36	32	48	\$91,617	\$16,953	\$44,774	\$10,283	(\$550)	3.0x	2.4x	\$263,061	18.2x	
PepsiCo Inc (PEP)	2.750%	10/21/2051	\$1,000	A1 / A+ / --	S / S / --	\$68.8	4.80%	57	56											
PepsiCo Inc (PEP)	4.650%	2/15/2053	\$500	A1 / A+ / --	S / S / --	\$97.1	4.83%	63	62											
Brown-Forman Corp (BFB)	4.500%	7/15/2045	\$500	A1 / A- / WD	S / S / --	\$91.8	5.14%	82	81	--	\$4,272	\$1,355	\$3,110	\$373	\$79	2.3x	2.1x	\$29,514	25.2x	
Brown-Forman Corp (BFB)	4.750%	4/15/2033	\$650	A1 / A- / --	S / S / --	\$100.9	4.63%	67	61											
Diageo Investment Corp (DGELN)	5.500%	1/24/2033	\$750	A3 / A- / A-u	S / S / S	\$105.4	4.74%	76	72	28	£17,113	£6,120	£16,502	£1,439	-£1,382	2.7x	2.5x	£77,061	12.6x	
Diageo Investment Corp (DGELN)	1.875%	6/8/2034	\$900	A3 / A- / A-u	S / S / S	\$87.0	3.37%	110	112											
Diageo Investment Corp (DGELN)	3.875%	4/29/2043	\$500	A3 / A- / A-u	S / S / S	\$84.3	5.17%	85	84											
Anheuser-Busch InBev Fin (ABIBB)	4.900%	1/23/2031	\$750	A3 / A- / --	S / S / --	\$102.4	4.49%	50	48	77	\$59,091	\$19,928	\$80,900	\$6,848	\$4,662	4.1x	3.7x	\$216,171	10.8x	
Anheuser-Busch InBev Fin (ABIBB)	4.900%	2/1/2046	\$9,519	A3 / A- / --	S / S / --	\$97.5	5.09%	79	77											
Anheuser-Busch InBev Fin (ABIBB)	4.500%	6/1/2050	\$1,102	A3 / A- / --	S / S / --	\$92.8	5.00%	74	74											
Heineken NV (HEIANA)	1.750%	3/17/2031	\$750	A3 / BBB+ / --	S / S / --	\$89.9	3.36%	120	122	29	€ 29,725	€ 5,824	€ 19,857	€ 2,168	-€ 1,560	3.4x	3.0x	€ 73,931	11.6x	
Heineken NV (HEIANA)	4.350%	3/29/2047	\$650	A3 / BBB+ / --	S / S / --	\$89.5	5.13%	83	83											
Pernod Ricard SA (RIFP)	1.625%	4/1/2031	\$900	Baa1 / BBB+ / BBB+	S/S/S	\$80.1	4.94%	97	93	77	€ 12,136	€ 3,765	€ 10,741	€ 1,624	(€ 427)	2.9x	2.4x	€ 49,772	16.7x	
Pernod Ricard SA (RIFP)	2.750%	10/1/2050	\$500	Baa1 / BBB+ / BBB+	S/S/S	\$65.0	5.19%	92	94											
Suntory Holdings LTD (SUNTOR)	6.625%	7/15/2028	\$184	Baa1 / BBB+ / WD	S / S / --	\$106.4	5.01%	105	100	--	¥2,819	¥416	¥1,468	¥253	¥95	3.5x	2.9x			
JAB Holdings BV (JABHOL)	1.000%	7/14/2031	\$306	Baa1 / BBB+ / --	S / S / --	\$83.8	3.49%	132	137	--	--	--	--	--	--	--	--	--	--	
JAB Holdings BV (JABHOL)	3.750%	5/28/2051	\$500	Baa1 / BBB+ / --	S / S / --	\$66.8	6.31%	206	207											
JAB Holdings BV (JABHOL)	4.500%	4/8/2052	\$500	Baa1 / BBB+ / --	S / S / --	\$76.6	6.28%	205	205											
Keurig Dr Pepper (KDP)	4.050%	4/15/2032	\$850	Baa1 / BBB / --	S / S / --	\$94.6	4.85%	86	83	--	\$14,750	\$4,116	\$12,860	\$260	(\$467)	3.1x	3.1x	\$58,770	15.5x	
Keurig Dr Pepper (KDP)	3.350%	3/15/2051	\$500	Baa1 / BBB / --	S / S / --	\$71.6	5.34%	110	110											
Keurig Dr Pepper (KDP)	4.500%	4/15/2052	\$1,150	Baa1 / BBB / --	S / S / --	\$87.6	5.35%	111	113											
Constellation Brands Inc (STZ)	4.750%	5/9/2032	\$700	Baa3 / BBB / --	S / S / --	\$98.6	4.95%	97	93	96	\$9,786	\$3,486	\$11,707	\$83	\$686	3.2x	3.2x	\$59,009	15.8x	
Constellation Brands Inc (STZ)	4.900%	5/1/2033	\$750	Baa3 / BBB / --	S / S / --	\$99.5	4.97%	97	94											
Constellation Brands Inc (STZ)	3.750%	5/1/2050	\$600	Baa3 / BBB / --	S / S / --	\$77.1	5.39%	113	113											
Molson Coors Brewing Co (TAP)	3.000%	7/15/2026	\$2,000	Baa2 / BBB / WD	P / S / --	\$95.9	4.77%	61	54	75	\$11,541	\$2,412	\$6,180	\$802	\$950	2.7x	2.3x	\$19,580	8.4x	
Molson Coors Brewing Co (TAP)	4.200%	7/15/2046	\$1,800	Baa2 / BBB / WD	P / S / --	\$85.5	5.32%	103	101											
Bacardi LTD (BACARD)	5.400%	6/15/2033	\$700	Baa3 / BBB- / BBB-	-- / -- / --	\$100.5	5.33%	133	130	--	--	--	--	--	--	--	--	--	--	
Bacardi LTD (BACARD)	5.900%	6/15/2043	\$400	Baa3 / BBB- / BBB-	-- / -- / --	\$101.0	5.81%	150	149											
Bacardi LTD (BACARD)	5.300%	5/15/2048	\$700	Baa3 / BBB- / BBB-	S / S / S	\$94.1	5.75%	147	147											
JDE Peet's NV (JDEPNA)	2.250%	9/24/2031	\$500	Baa3 / BBB- / BBB	S / S / S	\$79.8	5.51%	155	150	--	€ 8,243	€ 1,360	€ 4,967	€ 755	€ 522	3.7x	3.1x	€ 15,806	11.3x	

Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

Exhibit 14: Tobacco Historical Return & Spread Monitor

Benchmark spread and credit metrics by issuer

																	Credit Metrics			
			Outstanding	Ratings		Current Pricing			5-yr		LTM			Net	Total Debt/		Net Debt/	EV /		
Issuer	Coupon	Maturity	(\$mil)	Mdy/S&P/Fit	Outlook	Bid	YTW	G- spd	T- spd	CDS	Revenue	EBITDA	Debt	Cash	FCF	EBITDA	EBITDA	EV	EBITDA	
Japan Tobacco (JAPTOB)	2.250%	9/14/2031	\$625	A2 / A+ / --	S / -- / --	\$81.2	5.26%	128	124		¥2,806,302	¥875,721	¥1,018,639	¥869,042	¥136,212	1.2x	0.2x	¥314,074	0.4x	
Japan Tobacco (JAPTOB)	3.300%	9/14/2051	\$400	A2 / A+ / --	S / -- / --	\$67.1	5.67%	140	143											
Philip Morris Intl Inc (PM)	1.750%	11/1/2030	\$750	A2 / A- / A	S / S / N	\$81.6	4.98%	100	98	48	\$34,359	\$14,111	\$47,715	\$3,017	(\$276)	3.5x	3.3x	\$194,136	13.8x	
Philip Morris Intl Inc (PM)	5.750%	11/17/2032	\$1,500	A2 / A- / A	S / S / N	\$104.1	5.15%	117	113											
Philip Morris Intl Inc (PM)	5.375%	2/15/2033	\$2,250	A2 / A- / A	S / S / N	\$101.6	5.15%	117	113											
Philip Morris Intl Inc (PM)	5.625%	9/7/2033	\$1,000	A2 / A- / A	S / S / N	\$103.3	5.18%	119	116											
Philip Morris Intl Inc (PM)	4.250%	11/10/2044	\$1,250	A2 / A- / A	S / S / N	\$84.5	5.51%	118	118											
Altria Group (MO)	3.125%	6/15/2031	\$1,250	A3 / BBB / BBB	S / P / S	\$89.3	4.87%	271	275	48	\$20,561	\$12,131	\$25,098	\$1,537	\$641	2.1x	2.0x	\$97,187	8.0x	
Altria Group (MO)	2.450%	2/4/2032	\$1,750	A3 / BBB / BBB	S / P / S	\$81.4	5.31%	134	129											
Altria Group (MO)	6.875%	11/1/2033	\$500	A3 / BBB / BBB	S / P / S	\$109.8	5.54%	155	152											
Altria Group (MO)	5.375%	1/31/2044	\$1,800	A3 / BBB / BBB	S / P / S	\$97.8	5.56%	121	122											
Altria Group (MO)	3.700%	2/4/2051	\$1,250	A3 / BBB / BBB	S / P / S	\$70.1	5.93%	170	169											
British American Tobacco (BATSLN)	2.726%	3/25/2031	\$1,250	Baa2 / BBB+ / BBB	P / N / P	\$83.25	5.59%	160	157	75	£28,227	£13,906	£42,169	£3,681	£2,318	3.0x	2.8x	\$90,911	6.5x	
British American Tobacco (BATSLN)	7.750%	10/19/2032	\$600	Baa2 / BBB+ / BBB	P / N / P	\$112.4	5.88%	188	186											
British American Tobacco (BATSLN)	4.742%	3/16/2032	\$900	Baa2 / BBB+ / BBB	P / N / P	\$94.9	5.53%	153	151											
British American Tobacco (BATSLN)	6.421%	8/2/2033	\$1,250	Baa2 / BBB+ / BBB	P / N / P	\$104.0	5.86%	186	183											
British American Tobacco (BATSLN)	5.282%	4/2/2050	\$500	Baa2 / BBB+ / BBB	P / N / P	\$83.8	6.59%	233	233											
British American Tobacco (BATSLN)	3.984%	9/25/2050	\$1,000	Baa2 / BBB+ / BBB	P / N / P	\$69.5	6.38%	212	213											
British American Tobacco (BATSLN)	5.650%	3/16/2052	\$600	Baa2 / BBB+ / BBB	P / N / P	\$88.4	6.56%	233	233											
British American Tobacco (BATSLN)	7.081%	8/2/2053	\$1,000	Baa2 / BBB+ / BBB	P / N / P	\$105.5	6.65%	243	243											
Imperial Brands Fin Plc (IMBLN)	3.875%	7/26/2029	\$1,000	Baa3 / BBB / BBB	S / S / S	\$93.2	5.32%	140	133	77	£7,961	£4,073	£10,249	£596	(£186)	2.5x	2.4x	£25,385	6.2x	

Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH



Valuation & risk

Kroger Co. (KR)

Kroger (KR) is a best-in-class food retailer that maintains a competitive advantage vs. national and regional peers due to management's long-term investment in service, product quality, productivity, and technology. KR demonstrates conservative financial policies and balance sheet management, which has historically allowed valuation to trade closer to BBB non-cyclicals than grocery or drug retail, despite significantly lower margins. Bonds, rated Marketweight, fairly reflect the stability of the business model, EBITDA and cash flows offset by investment headwinds & new competitor risks. In CDS we are Sell Protection. Downside risks are intense competition, increased management willingness to pursue acquisitions or shareholder returns, deflationary pressure in consumables hurting IDs, and slow deleverage following the acquisition of Albertsons. Heavy pension obligations and labor negotiation risks remain a long-term headwind. Upside risks are increasing market share from additional fill-in opportunities, KR's superior positioning on price and format competitiveness.

Analyst Certification

I, Brian Callen, CFA, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

Security/Loan pricing

Kroger Co. / KR

	Amt		Ratings			Yield	Spread
Security		Maturity date	Moody's/S&P/Fitch	Price	Price date	(%)	(bps)
8, Senior, USD, 2029:B	250	15-SEP-2029	Baa1/BBB/WD	114.53	15-Jan-2024	5.02	115
2.65, Senior, USD, 2026:B	750	15-OCT-2026	Baa1/BBB/WD	94.81	15-Jan-2024	4.68	66
3.7, Senior, USD, 2027:B	600	01-AUG-2027	Baa1/BBB/WD	97.08	15-Jan-2024	4.60	68
5.15, Senior, USD, 2043:B	400	01-AUG-2043	Baa1/BBB/WD	94.14	15-Jan-2024	5.65	134
4.45, Senior, USD, 2047:B	1,000	01-FEB-2047	Baa1/BBB/WD	87.48	15-Jan-2024	5.41	104
4.65, Senior, USD, 2048:B	500	15-JAN-2048	Baa1/BBB/WD	88.92	15-Jan-2024	5.49	112
5.4, Senior, USD, 2049:B	600	15-JAN-2049	Baa1/BBB/NR	99.00	15-Jan-2024	5.47	112
3.95, Senior, USD, 2050:B	750	15-JAN-2050	Baa1/BBB/NR	81.03	15-Jan-2024	5.30	97
2.2, Senior, USD, 2030:B	500	01-MAY-2030	Baa1/BBB/NR	85.81	15-Jan-2024	4.84	96
7.5, Senior, USD, 2031:B	440	01-APR-2031	Baa1/BBB/WD	114.28	15-Jan-2024	5.11	121
4, Senior, USD, 2024:B	500	01-FEB-2024	Baa1/BBB/WD	99.91	15-Jan-2024	5.77	53
Senior Unsecured, USD, Y5:CDS					16-Jan-2024		52

For pricing information refer to "Other Important Disclosures" below.

B=Bond; L=Loan; CS=Capital Security (Not including Equity Preferred); CDS=Credit Default Swap; EP=Equity Preferred

Disclosures

Important Disclosures

Credit opinion history

Kroger Co. / KR

Company	Date ^{R1}	Action	Recommendation	Price
Kroger Co. / KR	31-Dec-2020		Marketweight	
	18-Oct-2022	Upgrade	Overweight	
	12-Sep-2023	Downgrade	Marketweight	
Security	Date ^{R1}	Action	Recommendation	Price
8, Senior, USD, 2029:B	31-Dec-2022		Overweight	
	12-Sep-2023	Downgrade	Marketweight	112.80
2.65, Senior, USD, 2026:B	31-Dec-2022		Overweight	
	12-Sep-2023	Downgrade	Marketweight	92.05
3.7, Senior, USD, 2027:B	31-Dec-2022		Overweight	



Kroger Co. / KR

Company	Date^{R1}	Action	Recommendation	
5.15, Senior, USD, 2043:B	12-Sep-2023	Downgrade	Marketweight	94.26
	31-Dec-2022		Overweight	
4.45, Senior, USD, 2047:B	12-Sep-2023	Downgrade	Marketweight	88.20
	31-Dec-2022		Marketweight	
4.65, Senior, USD, 2048:B	31-Dec-2022		Marketweight	
5.4, Senior, USD, 2049:B	31-Dec-2022		Marketweight	
3.95, Senior, USD, 2050:B	31-Dec-2022		Marketweight	
2.2, Senior, USD, 2030:B	31-Dec-2022		Overweight	
	12-Sep-2023	Downgrade	Marketweight	81.22
7.5, Senior, USD, 2031:B	31-Dec-2022		Overweight	
	12-Sep-2023	Downgrade	Marketweight	110.96
4, Senior, USD, 2024:B	31-Dec-2022		Overweight	
	12-Sep-2023	Downgrade	Marketweight	99.30
Senior Unsecured, USD, Y5:CDS	31-Dec-2022		Sell Protection	

Table reflects credit opinion history as of previous business day's close.^{R1} First date of recommendation within the last 36 months, if for an issuer or within the last 12 months, if for a security or loan. The investment opinion system is contained at the end of the report under the heading "BofA Global Research Credit Opinion Key."

Pricing information in the table is provided for each action where available. In the case of bonds, loans, capital securities and equity preferreds, the price shown reflects the nominal cash price for the security; and in the case of CDS, the price shown reflects the spread, on the date of the relevant action.

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BofA Global Research Credit Opinion Key

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Buy Protection: Buy CDS, therefore going short credit risk.

Neutral: No purchase or sale of CDS is recommended.

Sell Protection: Sell CDS, therefore going long credit risk.

Corporate Credit Issuer Investment Rating Distribution: Global Group (as of 31 Dec 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R2}	Count	Percent
Buy	144	37.21%	Buy	119	82.64%
Hold	193	49.87%	Hold	163	84.46%
Sell	50	12.92%	Sell	37	74.00%

^{R2} Issuers that were investment banking clients of BofA Securities or one of its affiliates within the past 12 months. For purposes of this Investment Rating Distribution, the coverage universe includes only corporate credit issuer recommendations. A corporate credit issuer rated Overweight is included as a Buy, a corporate credit issuer rated Marketweight is included as a Hold, and a corporate credit issuer rated Underweight is included as a Sell.

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