

Situation Room

4Q IG earnings final update: growth rebounding

4Q IG earnings final update: growth rebounding

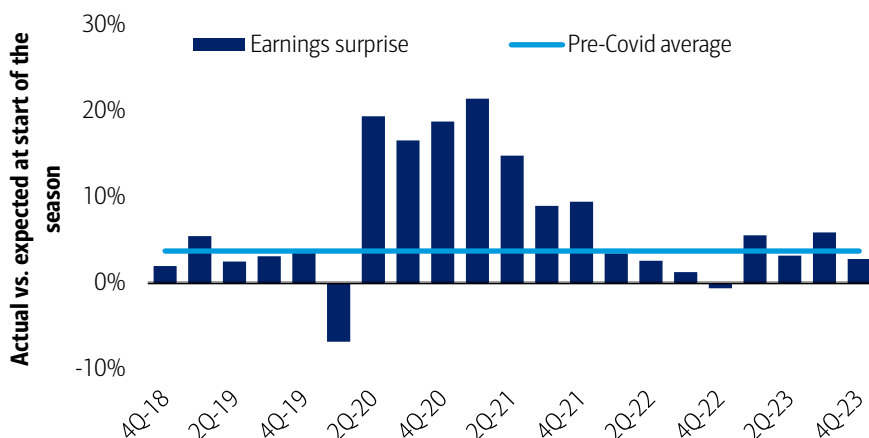
Most of the 4Q earnings season is now behind us. By now 72% of US IG public companies have reported, accounting for 82% of the aggregate expected 4Q earnings. These almost-final results show 4Q earnings were strong, improving, and better than expected, although the positive surprise was a bit below the historical average. Earnings came in 2.8% ahead of expectations at the start of the season, below the 3.7% pre-Covid average surprise (Exhibit 1). Revenues however were +0.9% above expectations, a bit higher than the +0.7% pre-Covid average (Exhibit 2), suggesting weaker than expected margins.

Earnings tracking

Based on actual results when available and the latest bottom-up consensus estimates otherwise, we are now tracking +3.4% YoY earnings growth for all US IG public issuers, and +11.7% YoY earnings growth ex. the more volatile Energy and Finance, up from +7.7% in 3Q-2023. Some of this strong earnings growth in 4Q is driven by the Tech sector (+22.0% YoY). Ex. Tech, Energy and Finance the YoY earnings slows to a still strong +7.7% YoY. On the revenue side we are tracking +3.3% and +4.4% YoY revenue growth for all issuers and issuers ex. Energy and Finance, respectively.

Exhibit 1: A positive earnings surprise in 4Q

4Q earnings surprised to the upside by +2.8%, down from +5.9% surprise in 3Q-2023 and below +3.7% pre-Covid average.



Source: BofA Global Research, FactSet

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14 February 2024

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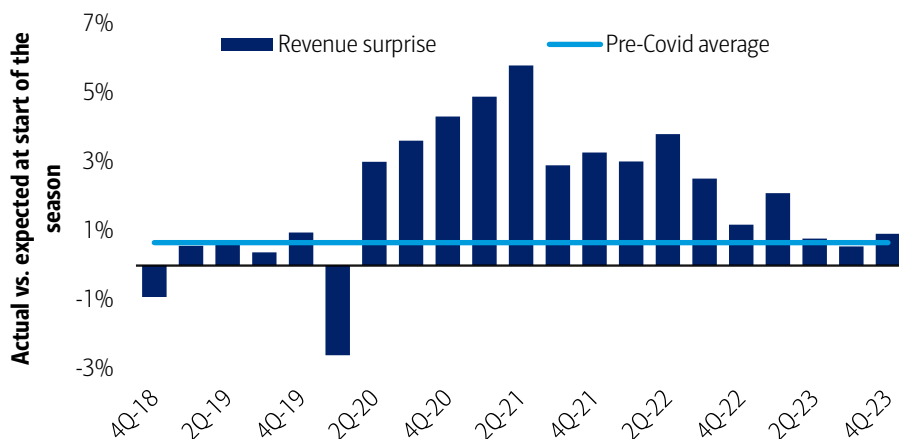
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Exhibit 2: 4Q revenue surprise was above average levels

4Q revenues surprised to the upside by +0.9%, up from +0.7% surprise in 3Q-2023 and above +0.7% pre-Covid average.

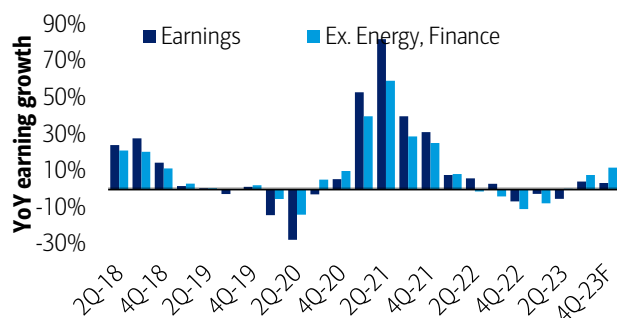


Source: BofA Global Research, FactSet

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Exhibit 3: Earnings growth for US IG issuers

We are tracking 4Q-23 earnings growth of +11.7%, ex. Energy and Finance.



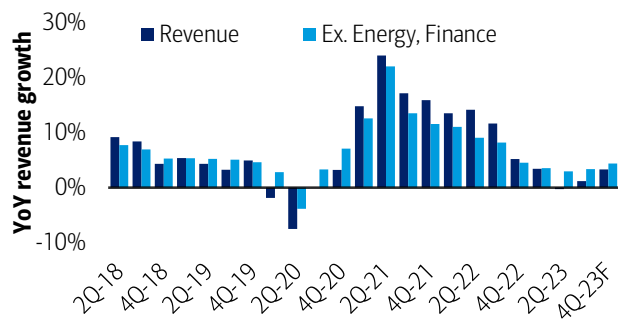
Note: 4Q-23 based on the actual results when available and consensus estimates otherwise.

Source: BofA Global Research, FactSet

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Exhibit 4: Revenue growth for US IG issuers

Revenue growth bottomed in 2Q -2023.



Note: 4Q-23 based on the actual results when available and consensus estimates otherwise.

Source: BofA Global Research, FactSet

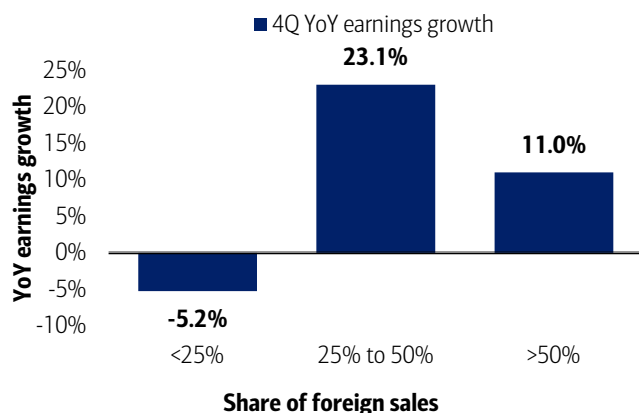
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Foreign over domestic

We are tracking the strongest 4Q earnings growth for IG issuers with 25% to 50% of foreign sales, and the weakest for the more domestic issuers (Exhibit 5). Earnings surprise has been relatively similar across the share of foreign sales (Exhibit 7).

Exhibit 5: 4Q-23 consensus earnings growth by foreign sales

4Q earnings growth is tracking -5.2% YoY for the more domestic issuers, but +11.0% for the more global issuers.



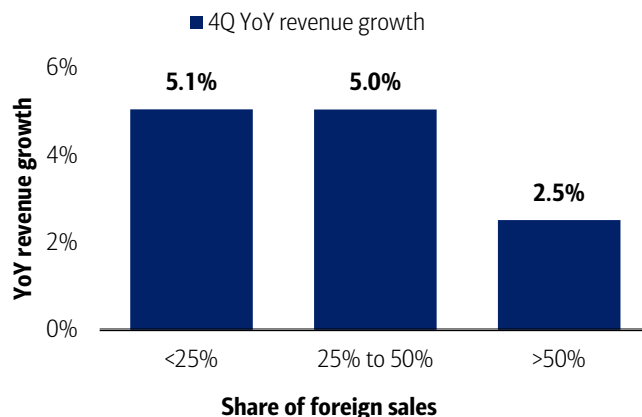
Note: 4Q-23 based on the actual results when available and consensus estimates otherwise. Excluding Finance, Energy, Utilities.

Source: BofA Global Research, FactSet.

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Exhibit 6: 4Q-23 consensus sales growth by foreign sales

4Q sales growth is tracking +5.1% for the more domestic issuers and 2.5% for the more global issuers.



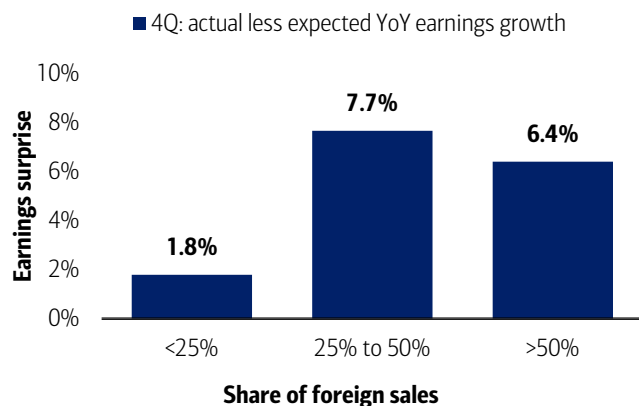
Note: 4Q-23 based on the actual results when available and consensus estimates otherwise. Excluding Finance, Energy, Utilities.

Source: BofA Global Research, FactSet.

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Exhibit 7: 4Q-23 earnings surprise by foreign sales

Earnings surprise was weakest for the more domestic issuers.



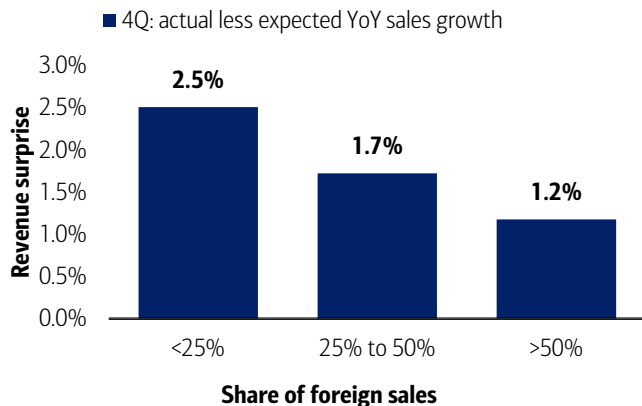
Note: Excluding Finance, Energy, Utilities.

Source: BofA Global Research, FactSet.

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Exhibit 8: 4Q-23 sales surprise by foreign sales

Sales surprise was slightly stronger for the more domestic issuers.



Note: Excluding Finance, Energy, Utilities.

Source: BofA Global Research, FactSet.

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Results by sector

We are tracking the weakest 4Q YoY earnings growth for Banks/Brokers (-51%), Automobiles (-24%) and Energy (-24%). On the flip side we are tracking the strongest YoY earnings growth in 4Q for Media & Entertainment (+72%), Retail (+44%) and Utilities (+36%, Figure 9).

Exhibit 9: 4Q-2023 results by sector for US public IG issuers

The table lists earnings and sales growth by sector.

Sector	Earnings growth (YoY)	Sales growth (YoY)	Share of bond index value	Share of the sector that has reported
Aerospace/Defense	11.1%	7.5%	1.7%	99%
Automobiles	-24.7%	2.9%	1.3%	97%
Banks/Brokers	-51.3%	1.6%	11.6%	100%

Exhibit 9: 4Q-2023 results by sector for US public IG issuers

The table lists earnings and sales growth by sector.

	2023	2022	2021	2020
Consumer Products	5.7%	1.1%	0.7%	97%
Energy	-23.4%	-8.0%	4.2%	77%
Finance	9.9%	9.7%	2.6%	81%
Food, Bev, & Bottling	3.9%	0.1%	2.0%	81%
Health Care	-16.0%	7.7%	7.5%	95%
Industrial Products	6.1%	0.6%	1.9%	78%
Insurance	36.4%	7.5%	2.5%	89%
Media & Entertainment	72.2%	8.6%	3.2%	81%
REITs	34.2%	6.5%	3.0%	64%
Retail	44.3%	5.2%	3.3%	46%
Technology	22.0%	7.4%	5.6%	78%
Telecom	-3.7%	0.8%	2.6%	100%
Transportation	-10.7%	-1.9%	1.3%	100%
Utilities	36.2%	-0.9%	6.9%	35%
Other	-0.9%	1.6%	2.2%	81%
Total US HG public co's	3.4%	3.3%	65.7%	80%
Total ex. Financials	6.6%	2.8%	46.0%	76%
Total ex. Energy	6.9%	4.6%	61.5%	80%
Total ex. Fin. & Energy	11.7%	4.4%	41.8%	76%
Yankee and private co's	n.a.	n.a.	34.3%	n.a.
HQ ex. Financials, Utilities	13.8%	3.6%	14.9%	86%
BBB ex. Financials, Utilities	-6.9%	2.3%	23.7%	80%

Note: based on the actual results when available and consensus estimates otherwise.

Source: BofA Global Research, FactSet.

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Surprises by sector

Earnings surprised to the upside the most for Retail (+117% surprise), Media & Entertainment (+56% surprise) and Insurance (+22% surprise). On the other hand, earnings came in the weakest relative to expectations at the start of the season for Automobiles (-44% surprise), Energy (-30% surprise), and Banks/Brokers (-19% surprise, Figure 10).

Exhibit 10: 4Q-2023 earnings / sales surprises by sector for public US IG issuers

The table summarizes earnings and revenue surprises by sector.

Sector	Expected earnings growth (YoY)	Actual earnings growth (YoY)	Earnings surprise	Expected sales growth (YoY)	Actual sales growth (YoY)	Sales surprise	Percentage of the sector that has reported
Aerospace/Defense	1.4%	11.1%	9.5%	4.6%	7.3%	2.6%	99%
Automobiles	-43.5%	-26.7%	29.9%	-5.2%	2.5%	8.2%	97%
Banks/Brokers	-19.2%	-51.3%	-39.8%	2.8%	1.6%	-1.2%	100%
Basic Materials	-18.7%	-15.9%	3.4%	-3.7%	-3.5%	0.2%	73%
Consumer Products	-2.0%	5.8%	8.0%	1.0%	1.1%	0.1%	97%
Energy	-29.8%	-22.1%	11.0%	-5.6%	-8.3%	-2.9%	77%
Finance	5.1%	7.7%	2.5%	5.8%	8.0%	2.1%	81%
Food, Bev, & Bottling	1.6%	5.9%	4.2%	1.9%	1.4%	-0.5%	81%
Health Care	-20.8%	-16.8%	5.0%	4.7%	8.1%	3.2%	95%
Industrial Products	4.8%	10.2%	5.2%	-0.1%	1.3%	1.4%	78%
Insurance	21.5%	40.0%	15.2%	9.0%	6.8%	-2.0%	89%
Media & Entertainment	56.4%	64.5%	5.1%	8.5%	10.0%	1.4%	81%
REITs	-6.8%	13.8%	22.0%	5.8%	6.1%	0.3%	64%
Retail	117.4%	149.1%	14.6%	9.0%	10.7%	1.6%	46%
Technology	8.1%	14.2%	5.6%	2.5%	3.8%	1.3%	78%
Telecom	0.5%	-3.7%	-4.1%	-1.3%	0.8%	2.2%	100%
Transportation	-13.6%	-10.7%	3.3%	-1.7%	-1.9%	-0.2%	100%
Utilities	20.7%	21.6%	0.8%	0.6%	-5.4%	-6.0%	35%
Other	-3.0%	-0.1%	3.0%	1.3%	1.1%	-0.2%	81%
Total US HG public co's	-1.1%	1.6%	2.8%	2.3%	3.3%	0.9%	80%
Total ex. Financials	-0.4%	5.7%	6.1%	1.8%	3.0%	1.2%	76%
Total ex. Energy	2.4%	4.5%	2.1%	3.4%	4.8%	1.4%	80%
Total ex. Fin. & Energy	4.3%	10.2%	5.6%	3.0%	4.8%	1.8%	76%

Exhibit 10: 4Q-2023 earnings / sales surprises by sector for public US IG issuers

The table summarizes earnings and revenue surprises by sector.

HQ ex. Financials,							
Utilities	4.4%	11.4%	6.6%	2.7%	3.0%	0.3%	86%
BBB ex. Financials,							
Utilities	-10.2%	-5.1%	5.6%	1.1%	3.1%	2.0%	80%

Note: based only on companies that have released 2Q-2023 results. Earnings surprise is [Actual \$ earnings] / [Expected \$ earnings] - 1

Source: BofA Global Research, FactSet.

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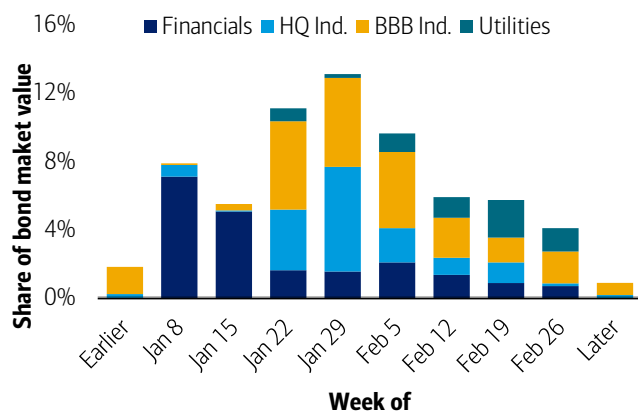
Timing of the earnings season

4Q reporting season peaks during the weeks of January 22 and January 29. The pace of reporting slows substantially during the week of February 26 and the season is virtually after that (Exhibit 11, Exhibit 12).

For the remainder of the season reporting will be concentrated in terms of the IG bond index share in BBB industrials (4.5% of index value) and Utilities (4.5% of index value).

Exhibit 11: Weekly reporting: by the share of the US IG bond index

The weeks of Jan 22 and Jan 29 are the busiest of the season.

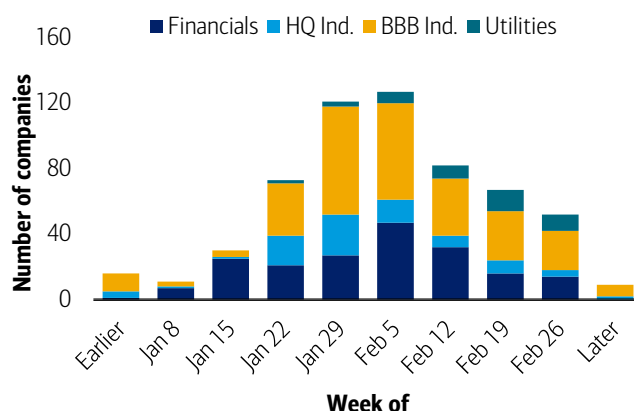


Source: BofA Global Research, Bloomberg.

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Exhibit 12: Weekly reporting: by the number of companies

The number of companies reporting peaks for the week of Feb 5.



Source: BofA Global Research, Bloomberg.

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Daily credit snapshot

US IG issuance totaled \$18.9bn across 5 deals today, \$30.2bn WTD and \$78.2bn MTD. The average new issue concession was 5.8bps today, while the average break performance was 6.3bps tighter today. This week's new issues are trading 1.0bps tighter on average from pricing.

S&P 500 closed +0.96%, 10-year Treasury yields -6bps, CDX IG -1.0bps, CDX HY +\$0.15pts, and cash bond spreads quoted -1/-4bp today, LQD closed 1.14bps tighter today.

Exhibit 13: Recent new issue pricing and new issue concessions

List of new issues in the IG corporate bond market today along with performance metrics.

Date	Ticker	Name	Tenor	Size (\$mm)	Moody's/S&P Rating	Coupon (%)	Px Spread (bps)	New Issue Conc. (bps)	* Break performance	Current spread (bps)
2024-02-12	AJG	Arthur J Gallagher & Co	10	500	Baa2/BBB	5.45	132	6	-2	132



Exhibit 13: Recent new issue pricing and new issue concessions

List of new issues in the IG corporate bond market today along with performance metrics.

Date	Ticker	Name	Tenor	Size (\$mm)	Moody's/S&P Rating	Coupon (%)	Px Spread (bps)	New Issue Conc. (bps)	* Break performance	Current spread (bps)
2024-02-12	AJG	Arthur J Gallagher & Co	30	500	Baa2/BBB	5.75	147	8	-1	145
2024-02-12	AXP	American Express Co	4NC3	300	A2/BBB+	FRN	SOFR+100	n.a.	n.a.	94
2024-02-12	AXP	American Express Co	4NC3	1,700	A2/BBB+	5.098	85	2	n.a.	77
2024-02-12	BCECN	Bell Telephone Co of Canada or Bell Canada	10	700	Baa1/BBB+	5.2	105	10	5	110
2024-02-12	BCECN	Bell Telephone Co of Canada or Bell Canada	30	750	Baa1/BBB+	5.55	120	2	7	128
2024-02-12	BNP	BNP Paribas SA	6NC5	1,750	Baa1/A-	5.497	138	-11	-1	137
2024-02-12	BNP	BNP Paribas SA	11NC10	1,500	Baa1/A-	5.738	158	n.a.	-1	158
2024-02-12	DTE	DTE Energy Co	5	1,200	Baa2/BBB	5.1	103	7	n.a.	99
2024-02-12	EL	Estee Lauder Cos Inc/The	10	650	A1/A	5	87	13	3	92
2024-02-12	PEP	Pepsico Singapore Financing I Pte Ltd	3	300	A1/A+	FRN	SOFR+56	n.a.	n.a.	n.a.
2024-02-12	PEP	Pepsico Singapore Financing I Pte Ltd	3	550	A1/A+	4.65	40	5	n.a.	38
2024-02-12	PEP	Pepsico Singapore Financing I Pte Ltd	5	450	A1/A+	4.55	45	4	n.a.	45
2024-02-12	PEP	Pepsico Singapore Financing I Pte Ltd	10	450	A1/A+	4.7	55	-1	n.a.	60
2024-02-14	BMV	Bristol-Myers Squibb Co	2	500	A2/A	FRN	SOFR+49	n.a.	n.a.	n.a.
2024-02-14	BMV	Bristol-Myers Squibb Co	2	1,000	A2/A	4.95	40	5	n.a.	n.a.
2024-02-14	BMV	Bristol-Myers Squibb Co	3	1,000	A2/A	4.9	55	n.a.	n.a.	n.a.
2024-02-14	BMV	Bristol-Myers Squibb Co	5	1,750	A2/A	4.9	70	11	n.a.	n.a.
2024-02-14	BMV	Bristol-Myers Squibb Co	7	1,250	A2/A	5.1	85	10	n.a.	n.a.
2024-02-14	BMV	Bristol-Myers Squibb Co	10	2,500	A2/A	5.2	95	6	n.a.	n.a.
2024-02-14	BMV	Bristol-Myers Squibb Co	20	500	A2/A	5.5	100	0	n.a.	n.a.
2024-02-14	BMV	Bristol-Myers Squibb Co	30	2,750	A2/A	5.55	115	6	n.a.	n.a.
2024-02-14	BMV	Bristol-Myers Squibb Co	40	1,750	A2/A	5.65	125	2	n.a.	n.a.
2024-02-14	BNP	BNP Paribas SA	PERP NC8	1,500	Ba1/BBB-	8	n.a.	n.a.	n.a.	n.a.
2024-02-14	CAH	Cardinal Health Inc	5	650	Baa2/BBB	5.125	90	n.a.	-5	85
2024-02-14	CAH	Cardinal Health Inc	10	500	Baa2/BBB	5.45	120	n.a.	n.a.	n.a.
2024-02-14	CMI	Cummins Inc	5	500	A2/A	4.9	70	n.a.	-6	64
2024-02-14	CMI	Cummins Inc	10	750	A2/A	5.15	93	n.a.	-6	87
2024-02-14	CMI	Cummins Inc	30	1,000	A2/A	5.45	105	n.a.	-8	97
2024-02-14	MMC	Marsh & McLennan Cos Inc	10	500	A3/A-	5.15	90	7	n.a.	n.a.
2024-02-14	MMC	Marsh & McLennan Cos Inc	30	500	A3/A-	5.45	103	5	n.a.	n.a.

Note: We calculate new issue concessions by estimating the difference between new issue bond spread and interpolated G spread from comparable liquid secondary bonds of the same issuer prior to the new issue deal announcement, adjusted for the spread impact of dollar prices deviating from par. Break performance is computed as the difference between new issue pricing and secondary closing spread on the first day of trading.

Source: BofA Global Research, Bloomberg

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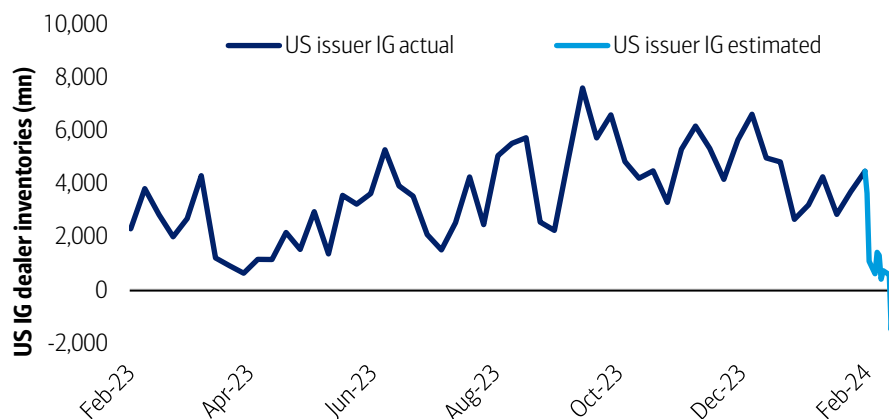
Daily dealer inventories update

Below we estimate dealer inventories for the IG corporate bonds based on TRACE data.

The actual inventories of US issuer bonds based on NY Fed survey, as well as the estimated change since the latest Fed report are plotted in Exhibit 14. We estimate the corresponding DV01 equivalent in Exhibit 15. More details by sector and maturity are available in Exhibit 16 and Exhibit 17. Finally, note that the data for the current date is through about 4:40 p.m. Eastern Standard Time.

Exhibit 14: Estimated dealer inventories of IG corporate bonds.

We estimate IG dealer inventories of US issuer bonds declined to -\$0.1bn currently from \$4.5bn on Jan-31.



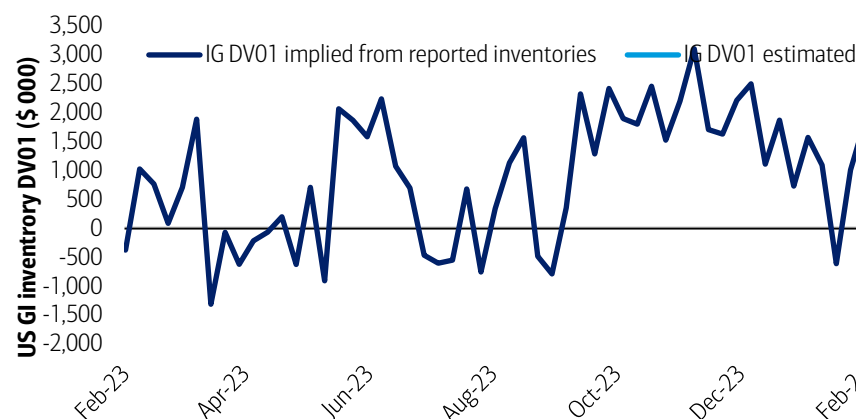
Note: data for US issuer bonds only, maturities 13M or longer. Actual dealer inventory data is from Primary Dealer Statistics survey by the NY Fed. The subsequent change in inventory is estimated based on TRACE.

Source: BofA Global Research, FINRA, TRACE, Federal Reserve

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Exhibit 15: Estimated dealer inventory DV01 for IG corporate bonds.

We estimate IG dealer inventory DV01 of US issuer bonds declined to \$0.1mn currently from \$1.8bn on Jan-31.



Note: data for US issuer bonds only, maturities 13M or longer. Actual dealer inventory data is from Primary Dealer Statistics survey by the NY Fed. The subsequent change in inventory is estimated based on TRACE.

Source: BofA Global Research, FINRA, TRACE, Federal Reserve

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Exhibit 16: Estimated changes in IG dealer inventories by maturity and broad sector.

We estimate IG dealer inventories increased \$1,595mn today and declined -\$1,701mn over the prior week.

Sector	Net dealer buy (\$mn)					Net dealer DV01 change (\$thousand)					Trading volumes on 14-Feb-24 (\$mn)			
	14-Feb	13-Feb	1 W	2 W	4 W	14-Feb	13-Feb	1 W	2 W	4 W	Buy	Sell	Dealer	Total
High grade (13M+)	1,595	-2,244	-1,701	-6,054	-4,658	1,415	-1,634	-98	-1,782	1,179	14,347	12,753	9,881	36,981
<3yr	80	-610	-921	-2,890	-2,319	7	-116	-191	-594	-535	2,320	2,239	1,425	5,984
3-5yr	-4	-16	-503	-744	-1,911	-12	-4	-229	-350	-692	2,652	2,657	2,161	7,470
5-11yr	428	-976	-1,706	-4,205	-6,122	174	-586	-1,138	-2,639	-3,961	4,826	4,398	3,408	12,632
11+yr	1,091	-642	1,428	1,785	5,694	1,246	-927	1,460	1,800	6,367	4,550	3,459	2,887	10,895
Fin	144	-697	-1,912	-4,086	-6,181	256	-348	-586	-1,579	-1,452	5,221	5,076	3,291	13,588
Non-Fin	1,451	-1,547	211	-1,968	1,523	1,159	-1,286	489	-204	2,630	9,127	7,676	6,589	23,393
Fixed	1,573	-2,264	-1,633	-5,803	-4,114	1,401	-1,644	-101	-1,744	1,197	14,251	12,678	9,829	36,758
Floating	21	20	-68	-251	-544	14	11	3	-39	-19	96	75	52	223
US issuers	1,348	-2,083	-1,467	-4,681	-3,157	1,156	-1,582	-394	-1,818	856	11,236	9,889	8,236	29,361
DM Yankees	243	-175	-397	-1,864	-2,221	264	-76	173	-275	-149	2,852	2,609	1,527	6,989
EM Yankees	4	15	162	491	719	-5	24	124	311	472	259	255	117	631

Exhibit 16: Estimated changes in IG dealer inventories by maturity and broad sector.

We estimate IG dealer inventories increased \$1,595mn today and declined -\$1,701mn over the prior week.

Net dealer buy (\$mn)**Net dealer DV01 change (\$thousand)****Trading volumes on 14-Feb-24 (\$mn)**

Note: data for maturities 13M or longer. Changes in inventories are estimated based on TRACE.

Source: BofA Global Research, FINRA, TRACE.

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Exhibit 17: Estimated changes in IG dealer inventories by sector.

We estimate today IG dealer inventories increased \$20mn for Banks/Brokers and increased \$173mn for Energy.

Sector	Net dealer buy (\$mn)					Net dealer DV01 change (\$thousand)					Trading volumes on 14-Feb-24 (\$mn)			
	14-Feb	13-Feb	1 W	2 W	4 W	14-Feb	13-Feb	1 W	2 W	4 W	Buy	Sell	Dealer	Total
Aerospace/Defense	234	-49	259	112	570	146	-69	129	131	504	448	213	200	860
Automobiles	96	-4	-147	-298	-349	65	-6	-74	-187	-248	457	361	407	1,224
Banks/Brokers	20	-370	-1,297	-2,795	-5,701	102	-207	-523	-1,208	-1,733	3,669	3,648	2,131	9,448
Basic Materials	35	-110	-47	-266	414	20	-58	-37	-204	319	478	444	321	1,243
Commercial Services	-3	-12	-57	-64	-79	23	-8	17	10	60	123	125	81	330
Energy	173	-140	-360	-767	-899	185	-160	-173	-407	-369	874	701	623	2,197
Finance	23	-35	-286	-685	-355	36	0	-79	-365	-91	791	768	683	2,243
Food, Bev, & Bottling	229	-112	55	-185	-396	203	-18	157	-63	-198	522	293	292	1,107
Health Care	296	-430	107	42	1,010	193	-437	7	354	961	2,012	1,716	1,324	5,052
Industrial Products	24	-225	-307	-499	-476	-9	-164	-274	-388	-248	360	336	287	984
Insurance	148	-20	52	-124	74	174	13	259	234	509	410	262	240	912
Media & Entertainment	-2	-138	11	-89	188	-36	-160	-114	-110	167	589	591	561	1,742
REITs	-48	-272	-382	-482	-198	-57	-154	-243	-240	-137	350	398	237	985
Retail	-1	-87	-49	128	459	47	-53	96	249	575	420	420	423	1,263
Technology	-14	-151	-268	-377	535	-8	-165	-197	-92	596	829	842	645	2,316
Telecom	77	4	328	-57	-387	41	27	281	115	-167	506	428	321	1,255
Tobacco	13	13	283	268	138	-8	-6	127	57	32	273	261	184	718
Transportation	93	-34	140	229	254	113	10	191	305	263	250	157	144	552
Utilities	191	28	310	-97	426	141	1	330	-32	242	786	596	622	2,004
Other	10	-102	-49	-49	115	43	-21	22	59	143	200	190	155	546

Note: data for maturities 13M or longer. Changes in inventories are estimated based on TRACE.

Source: BofA Global Research, FINRA, TRACE.

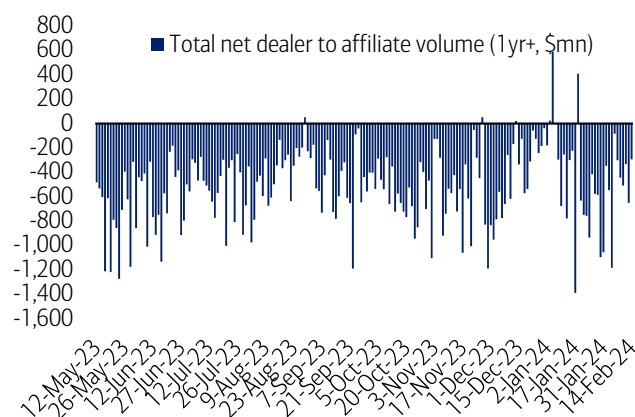
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Daily foreign demand tracker

We believe net dealer-to-affiliate volumes from Trace are correlated with foreign buying of US HG corporate bonds - i.e., negative numbers mean foreign investor buying (US dealers taking down inventory in favor of foreign affiliates). For supporting material see our "primer" on tracking foreign inflows. Exhibit 18 shows the overall daily dealer-to-affiliate volumes while Exhibit 19, Exhibit 20 and Exhibit 21 show subsets of this data. In particular Exhibit 19 shows net dealer-to-affiliate volumes for longer maturity (12+ years) bonds, Exhibit 20 displays volumes reported to Trace before 8am NY time (biased toward Asian buying) and Exhibit 21 shows the subset of net trades reported between 8am and noon (biased toward European buying).

Exhibit 18: Net dealer buying from affiliate (1yr+)

Exhibit shows inconsistent overall foreign buying of US IG corporate bonds for some time.



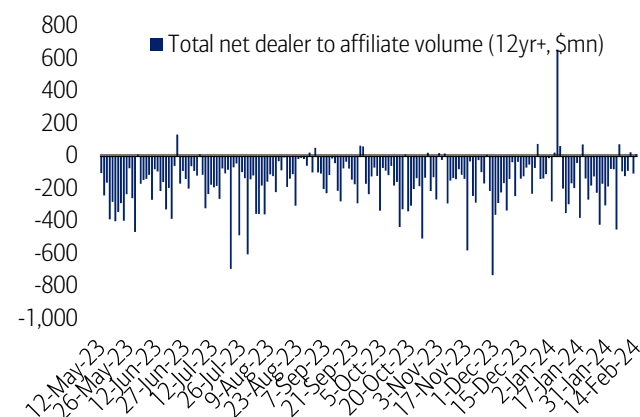
Note: Net dealer-to-affiliate volumes are correlated with foreign buying/selling. Negative numbers indicate foreign buying.

Source: Bloomberg, TRACE

BofA GLOBAL RESEARCH

Exhibit 19: Net dealer buying from affiliate (12yr+)

Foreign buying of longer maturity US IG corporate bonds has been consistent this year



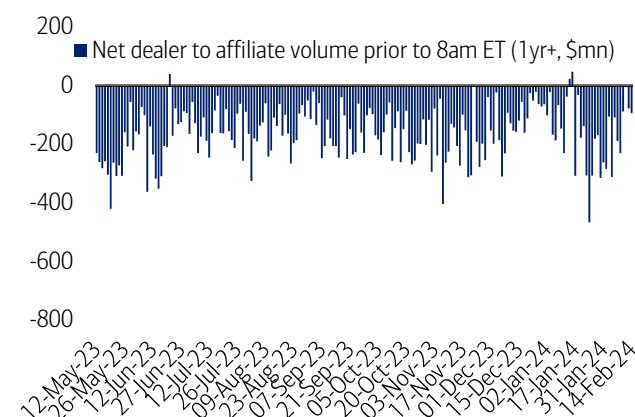
Note: Net dealer-to-affiliate volumes are correlated with foreign buying/selling. Negative numbers indicate foreign buying.

Source: Bloomberg, TRACE

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Exhibit 20: Net dealer-to-affiliate trading volumes before 8am ET

Foreign buying before 8am NY time is dominated by Asia and has been consistent this year



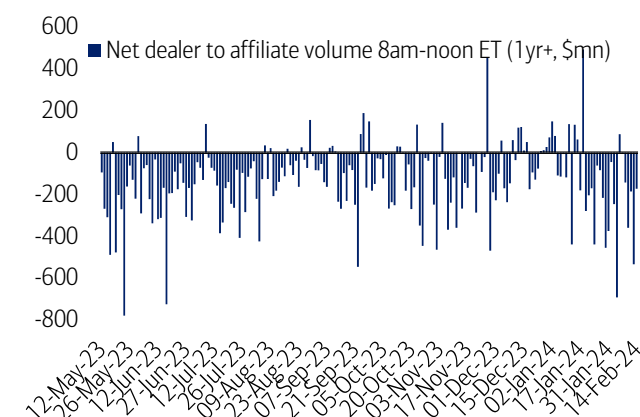
Note: Morning share of daily trading volume is correlated with secondary market activity of foreign investors due to different time zones.

Source: BofA Global Research, TRACE

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Exhibit 21: Net dealer-to-affiliate trading volumes 8am - noon ET

Foreign buying 8am-noon NY time is dominated by Europe and has been inconsistent this year



Note: Morning share of daily trading volume is correlated with secondary market activity of foreign investors due to different time zones.

Source: BofA Global Research, TRACE

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Common abbreviations:

IG: Investment Grade

HG: High Grade

LQD: iShares iBoxx \$ Investment Grade Corporate Bond ETF

DV01: Dollar value of a basis point

CDX IG: The Markit CDX North America Investment Grade Index

CDX HY: Markit CDX North America High Yield Index

ECB: European Central Bank

QE: Quantitative Easing

CSPP: corporate sector purchase programme

Unchd: Unchanged

CPI: Consumer Price Index

FOMC: The Federal Open Market Committee



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