

BofA IG Healthcare Weekly

Vital Signs

Industry Overview

Healthcare highlights: CI, CVS, BAX, NOV, AZN, ROSW, ABBV

Cigna is in exclusive talks to sell its Medicare Advantage business to Health Care Service Corp. for between \$3 billion and \$4 billion, according to WSJ. CVS Health announced Senior Vice President of Corporate Finance and interim CFO, Tom Cowhey, has been formally appointed the company's next CFO. CEO of Oak Street Health and interim lead of Health Care Delivery, Mike Pykosz, has been formally appointed President of Health Care Delivery. Fitch downgraded Baxter to BBB- from BBB with a Stable outlook. Novartis closed its license transaction with Legend Biotech for certain CAR-T therapies targeting Delta-like ligand protein 3 (DLL3), paying \$100 million upfront. Novartis also entered a capsid license agreement and strategic collaboration with Voyager Therapeutics, Inc. to advance potential gene therapies for Huntington's disease (HD) and spinal muscular atrophy (SMA). Novartis will pay \$100 million upfront, including \$20 million of newly issued Voyager equity, and up to \$1.2 billion in milestones and tiered royalties on net sales. AstraZeneca announced a license agreement with Allorion Therapeutics to develop and commercialize a novel EGFR L858R allosteric inhibitor as a potential new treatment for advanced EGFR-mutant non-small cell lung cancer (NSCLC). AstraZeneca will pay up to \$40 million in near-term and upfront payments, and Allorion remains eligible for over \$500 million in milestones, as well as tiered royalties on net sales. Roche entered a collaboration and license agreement with Remix Therapeutics for the discovery and development of small molecule therapeutics that modulate RNA processing. Roche will pay \$30 million upfront, up to \$12 million in near-term payments, commercial and sales milestones of up to \$1 billion, and tiered royalties. AbbVie announced two exclusive option and license agreements with Umoja Biopharma to develop multiple in-situ generated CAR-T cell therapy candidates in oncology. AbbVie will pay upfront payments and an equity investment, and Umoja remains eligible for up to \$1.44 billion in aggregate for option exercise fees, development and regulatory milestones.

Healthcare underperformed the IG Index last week

The ICE BofA IG Healthcare index underperformed the ICE BofA IG index, at -1.44% versus -1.20% on a total-return basis. Healthcare Services led other subsectors, with a total return of -1.18%. In Europe, Healthcare underperformed the ICE BofA EMU index, at -1.34%.

YTD, Healthcare underperformed on total return

YTD, IG Healthcare has underperformed the ICE BofA IG index, at a total return of -1.12% versus -0.99%, and on an excess-return basis, IG Healthcare has outperformed, at -25 bps versus the index at -29 bps. IG Healthcare OAS was +87 bps versus the US Corp index at +109 bps. On a total-return basis, Healthcare Services performed the best within the IG Healthcare subsectors, at -0.93%; Medical Products ranked second, at -1.00%; Managed Care was the biggest laggard, at -1.20%.

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Abbreviations

CI	Cigna
CVS	CVS
BAX	Baxter
NOVN	Novartis
AZN	AstraZeneca
ROSW	Roche
ABBV	AbbVie
IG	Investment Grade
OAS	Option-adjusted spread
YTD	Year to date

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Returns Summary

Table 1: Healthcare & Corporate Indices Returns Summary

The ICE BofA IG Healthcare index underperformed the ICE BofA IG index, at -1.44% versus -1.20% 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	-1.20%	-0.99%	-0.99%	-0.99%	6.43%	-28 bps	-29 bps	-29 bps	-29 bps	476 bps
Healthcare Index	-1.44%	-1.12%	-1.12%	-1.12%	5.47%	-23 bps	-25 bps	-25 bps	-25 bps	401 bps
Pharmaceuticals	-1.47%	-1.15%	-1.15%	-1.15%	5.07%	-27 bps	-29 bps	-29 bps	-29 bps	366 bps
Medical Products	-1.26%	-1.00%	-1.00%	-1.00%	6.06%	-23 bps	-23 bps	-23 bps	-23 bps	390 bps
Managed Care	-1.51%	-1.20%	-1.20%	-1.20%	5.44%	-28 bps	-32 bps	-32 bps	-32 bps	405 bps
Healthcare Services	-1.18%	-0.93%	-0.93%	-0.93%	5.83%	-21 bps	-21 bps	-21 bps	-21 bps	386 bps
Healthcare Facilities	-1.57%	-1.08%	-1.08%	-1.08%	6.25%	-7 bps	-3 bps	-3 bps	-3 bps	559 bps
Sterling Corporate Securities Index	-1.60%	-1.34%	-1.34%	-1.34%	7.03%	-15 bps	-14 bps	-14 bps	-14 bps	504 bps
Sterling Healthcare	-2.33%	-1.93%	-1.93%	-1.93%	5.28%	-39 bps	-39 bps	-39 bps	-39 bps	348 bps
EMU Corp	-0.98%	-0.73%	-0.73%	-0.73%	6.29%	-27 bps	-32 bps	-32 bps	-32 bps	328 bps
Euro Healthcare	-1.34%	-0.99%	-0.99%	-0.99%	4.82%	-44 bps	-49 bps	-49 bps	-49 bps	187 bps

Source: ICE Data Indices, LLC

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Table 2: Healthcare Index Statistics

IG Healthcare OAS was +87 bps versus the US Corp index at +109bps.

	Rating	# of Issues	% of Index	Avg Issue Size	Yield to Worst	OAS	Effective Duration	Spread Duration
US Corp Master	A3	10160	100.00%	800	5.34%	109 bps	6.7	6.8
Healthcare Index	A3	860	9.53%	900	5.08%	87 bps	8.4	8.3
Pharmaceuticals	A2	316	4.72%	1214	5.00%	79 bps	8.4	8.3
Medical Products	BBB1	119	1.06%	727	5.00%	84 bps	7.4	7.3
Managed Care	A3	150	1.72%	931	5.10%	89 bps	8.6	8.5
Healthcare Services	BBB2	69	0.89%	1052	5.23%	102 bps	7.1	7.0
Healthcare Facilities	A3	206	1.13%	444	5.38%	114 bps	10.2	10.2
Sterling Corporate Securities Index	A3	964	100.00%	404	5.40%	137 bps	6.4	6.4
Sterling Healthcare	A3	15	2.06%	533	4.62%	65 bps	8.4	8.3
EMU Corp	A3	4205	100.00%	686	3.77%	143 bps	4.5	4.7
Euro Healthcare	A3	210	5.25%	722	3.42%	118 bps	5.6	5.6

Source: ICE Data Indices, LLC

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2024 Debt Maturities

Exhibit 1: 2024 Debt Maturities

\$59.7 bn of bonds mature in 2024

Company	Coupon	Maturity	Amount Outstanding USD
Pfizer Inc	6.450%	2/1/2024	\$500
UnitedHealth Group Inc	3.500%	2/15/2024	\$750
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	\$983
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	\$655
Novartis AG	3.400%	5/6/2024	\$2,150
AstraZeneca PLC	0.750%	5/12/2024	\$983
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	\$819
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	\$1,583
Johnson & Johnson	0.650%	5/20/2024	\$819
Amgen Inc	3.625%	5/22/2024	\$1,400
Eli Lilly & Co	0.150%	5/24/2024	\$703
AstraZeneca PLC	0.700%	5/28/2024	\$1,600
AbbVie Inc	1.250%	6/1/2024	\$764
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	\$1,000
Cardinal Health Inc	3.079%	6/15/2024	\$750
Viatis Inc	1.023%	6/23/2024	\$819
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	\$1,092
Roche Holding AG	0.100%	9/23/2024	\$879
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	\$546
Johnson & Johnson	5.500%	11/6/2024	\$633
CVS Health Corp	3.500%	11/15/2024	\$750
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	\$546
Abbott Laboratories	0.100%	11/19/2024	\$644
AbbVie Inc	2.600%	11/21/2024	\$3,750
Viatis Inc	2.250%	11/22/2024	\$1,092
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



Exhibit 1: 2024 Debt Maturities
\$59.7 bn of bonds mature in 2024

Company	Coupon	Maturity	Amount Outstanding USD
Laboratory Corp of America	2.300%	12/1/2024	\$400
GSK PLC	1.375%	12/2/2024	\$1,092
Stryker Corp	0.250%	12/3/2024	\$928
Becton Dickinson & Co	3.734%	12/15/2024	\$875
Total			\$59,746

Source: Bloomberg, company data

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Exhibit 2: 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 3.2 29	\$5,437	92.70	A3/A-	5.23	\$92.70	4.635%	62 bps	93 bps	60 bps	61 bps
ABBV 4.05 39	\$4,000	88.63	A3/A-	11.21	\$88.63	5.104%	107 bps	141 bps	88 bps	89 bps
ABBV 4.25 49	\$5,745	86.80	A3/A-	14.68	\$86.80	5.182%	99 bps	159 bps	93 bps	94 bps
Amgen Inc.										
AMGN 5.25 33	\$4,250	100.94	Baa1/BBB+/BBB	6.92	\$100.94	5.117%	108 bps	144 bps	106 bps	108 bps
AMGN 5.65 53	\$4,250	102.44	Baa1/BBB+/BBB	14.01	\$102.44	5.480%	128 bps	191 bps	127 bps	128 bps
AstraZeneca										
AZN 4.875 33	\$500	101.31	A2/A/A-	7.05	\$101.31	4.693%	66 bps	102 bps	63 bps	66 bps
AZN 3 51	\$750	72.44	A2/A/A-	16.68	\$72.44	4.824%	63 bps	127 bps	60 bps	60 bps
Biogen Inc.										
BIIB 2.25 30	\$1,500	84.48	Baa2/BBB+	5.70	\$84.48	5.163%	115 bps	148 bps	114 bps	113 bps
BIIB 3.15 50	\$1,500	67.94	Baa2/BBB+	15.51	\$67.94	5.460%	126 bps	188 bps	122 bps	122 bps
Bristol Myers										
BMJ 5.9 33	\$1,000	107.05	A2 *-/A	7.30	\$107.05	4.967%	93 bps	129 bps	91 bps	93 bps
BMJ 3.55 42	\$1,250	79.94	A2 *-/A	12.40	\$79.94	5.279%	94 bps	159 bps	98 bps	99 bps
BMJ 6.25 53	\$1,250	111.69	A2 *-/A	14.07	\$111.69	5.447%	125 bps	188 bps	125 bps	126 bps
BMJ 6.4 63	\$1,250	113.25	A2 *-/A	15.42	\$113.25	5.566%	137 bps	213 bps	138 bps	138 bps
Gilead Sciences Inc.										
GILD 5.25 33	\$1,000	102.81	A3/BBB+	7.34	\$102.81	4.876%	84 bps	120 bps	82 bps	84 bps
GILD 5.55 53	\$1,000	105.36	A3/BBB+	14.53	\$105.36	5.191%	99 bps	163 bps	99 bps	100 bps
GSK PLC										
GSK 3.375 29	\$1,000	95.48	A2/A	4.84	\$95.48	4.322%	31 bps	60 bps	29 bps	30 bps
GSK 4.2 43	\$500	90.94	A2/A	12.55	\$90.94	4.936%	60 bps	125 bps	62 bps	62 bps
Johnson & Johnson										
JNJ 3.55 36	\$1,000	90.06	Aaa/AAA	9.47	\$90.06	4.628%	60 bps	95 bps	51 bps	52 bps
JNJ 3.75 47	\$1,000	85.00	Aaa/AAA	14.39	\$85.00	4.833%	49 bps	120 bps	53 bps	55 bps
JNJ 3.5 48	\$750	81.31	Aaa/AAA	14.83	\$81.31	4.822%	62 bps	121 bps	53 bps	55 bps
Eli Lilly										
LLY 4.7 33	\$1,000	100.81	A1/A+	7.08	\$100.81	4.588%	55 bps	91 bps	53 bps	55 bps
LLY 4.875 53	\$1,250	100.06	A1/A+	15.08	\$100.06	4.871%	67 bps	131 bps	66 bps	67 bps
Merck										
MRK 4.5 33	\$1,500	99.18	A1/A+	7.51	\$99.18	4.609%	58 bps	94 bps	55 bps	57 bps
MRK 5 53	\$1,500	99.50	A1/A+	15.16	\$99.50	5.032%	84 bps	148 bps	83 bps	84 bps
MRK 5.15 63	\$1,000	100.69	A1/A+	16.67	\$100.69	5.109%	91 bps	170 bps	93 bps	93 bps
Merck KGaA										
MRKGR 3.25 25	\$1,600	97.43	A3/A	1.14	\$97.43	5.497%	109 bps	79 bps	80 bps	72 bps
Novartis										
NOVNVX 2.2 30	\$1,500	87.81	A1/AA-/AA-u	5.95	\$87.81	4.344%	31 bps	66 bps	31 bps	31 bps
NOVNVX 2.75 50	\$1,250	69.56	A1/AA-/AA-u	16.61	\$69.56	4.785%	59 bps	122 bps	54 bps	55 bps
Pfizer										
PFE 4.75 33	\$5,000	98.75	A2/A/Au	7.42	\$98.75	4.917%	88 bps	124 bps	86 bps	88 bps
PFE 5.3 53	\$6,000	99.75	A2/A/Au	14.68	\$99.75	5.316%	112 bps	176 bps	111 bps	113 bps
Roche Holdings										
ROSW 5.593 33	\$1,600	105.98	Aa2/AA/AA	7.38	\$105.98	4.807%	77 bps	113 bps	75 bps	77 bps
ROSW 2.607 51	\$2,000	64.93	Aa2/AA/AA	17.29	\$64.93	4.934%	74 bps	139 bps	72 bps	72 bps
Royalty Pharma										
RPRX 2.15 31	\$600	80.19	Baa3/BBB-/BBB-	6.76	\$80.19	5.339%	131 bps	167 bps	131 bps	130 bps
RPRX 3.35 51	\$700	65.56	Baa3/BBB-/BBB-	15.06	\$65.56	5.887%	169 bps	232 bps	167 bps	167 bps
Viatis										
VTRS 2.7 30	\$1,450	83.88	Baa3/BBB-/BBB	5.74	\$83.88	5.723%	171 bps	204 bps	170 bps	169 bps
VTRS 5.2 48	\$750	80.38	Baa3/BBB-/BBB	12.24	\$80.38	6.873%	268 bps	324 bps	261 bps	260 bps
Zoetis Inc										
ZTS 2 30	\$750	85.28	Baa1/BBB	5.80	\$85.28	4.708%	65 bps	103 bps	69 bps	68 bps
ZTS 3 50	\$500	70.31	Baa1/BBB	16.12	\$70.31	5.050%	85 bps	148 bps	81 bps	81 bps

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

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Exhibit 3: 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	89.41	Baa2/BBB	5.27	\$89.41	5.049%	103 bps	135 bps	102 bps	102 bps
LH 4.7 45	\$900	91.10	Baa2/BBB	12.57	\$91.10	5.413%	107 bps	175 bps	108 bps	109 bps
Quest Diagnostics										
DGX 6.4 33	\$750	109.46	Baa2/BBB+/BBB	7.19	\$109.46	5.142%	111 bps	146 bps	109 bps	111 bps
DGX 4.7 45	\$300	90.06	Baa2/BBB+/BBB	12.68	\$90.06	5.499%	116 bps	183 bps	117 bps	118 bps

Source: Company reports, Bloomberg.

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Exhibit 4: 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 1.25 26	\$800	92.33	Baa1/A-/BBB+	2.10	\$92.33	4.999%	81 bps	82 bps	66 bps	64 bps
CI 5.4 33	\$800	102.44	Baa1/A-/BBB+	6.93	\$102.44	5.057%	102 bps	138 bps	100 bps	102 bps
CI 3.4 51	\$1,500	71.56	Baa1/A-/BBB+	15.42	\$71.56	5.409%	121 bps	184 bps	118 bps	119 bps
CVS										
CVS 5.25 33	\$1,750	100.65	Baa2/BBB	6.89	\$100.65	5.157%	112 bps	148 bps	110 bps	112 bps
CVS 5.625 53	\$1,250	99.19	Baa2/BBB	13.88	\$99.19	5.682%	148 bps	211 bps	147 bps	149 bps
Elevance Health										
ELV 4.75 33	\$1,000	98.31	Baa2/A/BBB	7.16	\$98.31	4.982%	95 bps	131 bps	92 bps	95 bps
ELV 5.125 53	\$1,100	97.13	Baa2/A/BBB	14.53	\$97.13	5.320%	112 bps	176 bps	111 bps	113 bps
Humana										
HUM 5.95 34	\$850	105.49	Baa2/BBB+/BBB	7.44	\$105.49	5.235%	120 bps	156 bps	118 bps	120 bps
HUM 5.5 53	\$750	100.88	Baa2/BBB+/BBB	14.17	\$100.88	5.439%	124 bps	187 bps	123 bps	124 bps
UnitedHealth										
UNH 4.25 29	\$1,250	98.60	A2/A+/A	4.37	\$98.60	4.565%	55 bps	82 bps	53 bps	55 bps
UNH 4.5 33	\$1,500	97.81	A2/A+/A	7.40	\$97.81	4.794%	76 bps	112 bps	74 bps	76 bps
UNH 5.05 53	\$2,000	98.61	A2/A+/A	14.93	\$98.61	5.142%	94 bps	159 bps	94 bps	95 bps
UNH 5.2 63	\$1,750	99.43	A2/A+/A	16.41	\$99.43	5.234%	104 bps	182 bps	105 bps	105 bps

Source: Company reports, Bloomberg.

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Exhibit 5: 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	83.40	Aa3/AA-	6.05	\$83.40	4.372%	36 bps	70 bps	35 bps	34 bps
ABT 4.9 46	\$3,250	99.13	Aa3/AA-	13.55	\$99.13	4.964%	62 bps	133 bps	65 bps	67 bps
Agilent Technologies										
A 3.05 26	\$300	95.73	Baa1/BBB+/BBB+	2.53	\$95.73	4.751%	34 bps	72 bps	50 bps	51 bps
A 2.75 29	\$500	90.83	Baa1/BBB+/BBB+	5.11	\$90.83	4.601%	58 bps	89 bps	58 bps	58 bps
A 2.3 31	\$850	85.48	Baa1/BBB+/BBB+	6.39	\$85.48	4.707%	67 bps	104 bps	68 bps	67 bps
Alcon										
ALCSW 2.6 30	\$750	86.42	Baa2/BBB+	5.71	\$86.42	5.119%	110 bps	143 bps	110 bps	109 bps
ALCSW 3.8 49	\$500	79.20	Baa2/BBB+	14.79	\$79.20	5.289%	109 bps	169 bps	103 bps	104 bps
Baxter										
BAX 3.132 51	\$750	66.31	Baa2/BBB/BBB-	15.94	\$66.31	5.510%	131 bps	196 bps	130 bps	130 bps
BAX 2.539 32	\$1,540	82.44	Baa2/BBB/BBB-	6.97	\$82.44	5.238%	120 bps	157 bps	120 bps	120 bps
Becton Dickinson										
BDX 1.957 31	\$1,000	82.19	Baa2/BBB/BBB	6.37	\$82.19	4.969%	94 bps	130 bps	94 bps	93 bps
BDX 3.794 50	\$560	78.69	Baa2/BBB/BBB	15.07	\$78.69	5.304%	111 bps	172 bps	106 bps	107 bps
Boston Scientific										
BSX 1.9 25	\$500	95.68	Baa1/BBB+/BBB+	1.35	\$95.68	5.150%	74 bps	56 bps	53 bps	47 bps
BSX 2.65 30	\$1,200	89.06	Baa1/BBB+/BBB+	5.74	\$89.06	4.646%	61 bps	96 bps	62 bps	61 bps
BSX 4.55 39	\$450	95.44	Baa1/BBB+/BBB+	10.55	\$95.44	4.982%	95 bps	128 bps	77 bps	79 bps
BSX 4.7 49	\$650	92.44	Baa1/BBB+/BBB+	13.95	\$92.44	5.244%	105 bps	163 bps	98 bps	99 bps
Danaher										
DHR 2.6 29	\$800	89.66	A3/A-	5.29	\$89.66	4.638%	62 bps	94 bps	61 bps	61 bps
DHR 3.25 39	\$900	81.13	A3/A-	11.70	\$81.13	4.986%	95 bps	129 bps	76 bps	77 bps
DHR 3.4 49	\$900	76.38	A3/A-	15.53	\$76.38	5.046%	85 bps	146 bps	79 bps	80 bps
Medtronic										
MDT 4.5 33	\$1,000	98.19	A3/A	7.37	\$98.19	4.744%	71 bps	107 bps	69 bps	71 bps
MDT 4.625 45	\$1,813	94.56	A3/A	12.96	\$94.56	5.045%	71 bps	138 bps	73 bps	73 bps
Stryker										
SYK 1.15 25	\$650	94.63	Baa1/BBB+	1.39	\$94.63	5.081%	67 bps	52 bps	48 bps	42 bps
SYK 1.95 30	\$1,000	84.70	Baa1/BBB+	5.89	\$84.70	4.736%	68 bps	106 bps	71 bps	70 bps
SYK 2.9 50	\$650	69.50	Baa1/BBB+	16.38	\$69.50	4.990%	79 bps	142 bps	75 bps	75 bps
Thermo Fisher Scientific										
TMO 5.2 34	\$500	103.06	A3/A-/A-	7.63	\$103.06	4.803%	77 bps	113 bps	75 bps	77 bps
TMO 4.1 47	\$750	86.25	A3/A-/A-	14.01	\$86.25	5.109%	77 bps	148 bps	81 bps	83 bps
Zimmer Holdings										
ZBH 3.05 26	\$600	96.15	Baa2/BBB/BBB	1.89	\$96.15	5.083%	67 bps	82 bps	68 bps	68 bps
ZBH 3.55 30	\$258	90.44	Baa2/BBB/BBB	5.37	\$90.44	5.384%	137 bps	169 bps	135 bps	135 bps
ZBH 4.45 45	\$395	87.96	Baa2/BBB/BBB	12.93	\$87.96	5.401%	106 bps	174 bps	107 bps	109 bps

Source: Company reports, Bloomberg.

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Exhibit 6: 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	86.74	Baa2/BBB+/A-	6.30	\$86.74	4.913%	88 bps	124 bps	88 bps	88 bps
COR 4.3 47	\$500	87.86	Baa2/BBB+/A-	14.12	\$87.86	5.192%	85 bps	157 bps	90 bps	92 bps
Cardinal Health										
CAH 3.41 27	\$1,222	95.32	Baa2/BBB/BBB	3.18	\$95.32	4.907%	72 bps	102 bps	76 bps	76 bps
McKesson										
MCK 4.75 29	\$196	99.70	Baa1/BBB+/A-	4.68	\$99.70	4.813%	80 bps	108 bps	75 bps	79 bps
MCK 4.883 44	\$255	89.31	Baa1/BBB+/A-	12.04	\$89.31	5.787%	145 bps	210 bps	145 bps	145 bps

Source: Company reports, Bloomberg.

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