

Consumer & Retail

Starting slow

Industry Overview

CAG volumes, STZ W&S show changing consumption

With January's kick off brought a fresh look at how the economy finished 2023. The December nonfarm payrolls report showed gradual easing in the labor market (+216k beat consensus +175k) and avg. hourly wages increased +4.1% y/y (20bps ahead of est.) showed earnings continue to support the consumer. Unemployment was unchanged at 3.7% despite a drop in participation rate. Also looking back at 2023, we published our year in review piece last week, analyzing Consumer & Retail performance & supply vs the IG Index; see [link to the note here](#). Non-Cyclicals excess return outperformed led by Tobacco & Beverages (duration helped) while Cyclicals lagged IG hurt by Retail. Sector supply fell -3.6% y/y vs. IG -0.2% y/y; we expect IG to be +4-6% y/y and C&R to increase modestly (\$90-95bn total). The **ICE BofA IG Corp Bond Index** widened +5bps to start the year, returning -1.24%. Non-Cyclicals & Cyclicals widened +4bps, +5bps last week with returns of -1.34% & -1.50% respectively. New issuance totaled \$58bn last week, but felt quiet broadly across Industrials. This week \$30bn+ in supply is anticipated.

In **Packaged Food (+5bps)**, Conagra Brands widened +14bps after FY24 guidance was lowered below our estimates on a slower volume recovery, need for higher brand reinvestment, and soft 2Q org. sales & gross margins. YE net leverage was pushed upwards +0.15x to 3.55x (in-line with our prior 3.6x est.) which reintroduces risk of a BBB-/Neg outlook, justifying the spread weakness in our view. JM Smucker completed the divestiture of its fermented condiment brands in Canada to TreeHouse Foods for approximately \$20mn. Danone announced the sale of its US organic dairy business to Platinum Equity (terms were not disclosed). The brands represented ~3% of FY22 revenues and were dilutive to sales growth and margins. In **Beverages (+5bps)**, Constellation Brands (STZ) 3Q24 top-line sales missed driven by weakness in the wine & spirits portfolio but EBITDA and margins beat carried by beer strength (both depletions & margins). FY24 EPS guide was reaffirmed while the FCF outlook was raised +\$200mn. STZ expects to reach targeted 3x net leverage in FY25 implying room for additional share buyback and refinancing '24 maturities (\$950mn). The Chinese government launched an investigation into imports of cognac from the EU. Pernod Ricard could face a material risk if a significant tariff were to be imposed (cognac in China is est. 14% of EBIT). Diageo only has indirect exposure via Moet Hennessy (which is comparable to Pernod).

In **Retail (+6bps)**, Adobe Analytics reported that US online holiday sales grew +4.9% y/y slightly ahead of its +4.8% est. and it was driven by underlying demand given online prices are falling (-5.3% y/y in Dec). This week is the ICR Conference (FL) where smaller specialty & restaurant operators provide holiday & outlook updates – IG notables attending are Walmart, Darden Restaurants, & Sysco. Finally, in **Restaurants (+6bps)**, McDonalds CEO commented on LinkedIn that markets & franchisees in the Middle East and other areas are experiencing a “meaningful business impact” from the Israel Hamas war.

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Refer to important disclosures on page 15 to 18. Analyst Certification on page 14.

Valuation & Risk on page 14.

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Exhibit 1: Market week ended 1/5/24

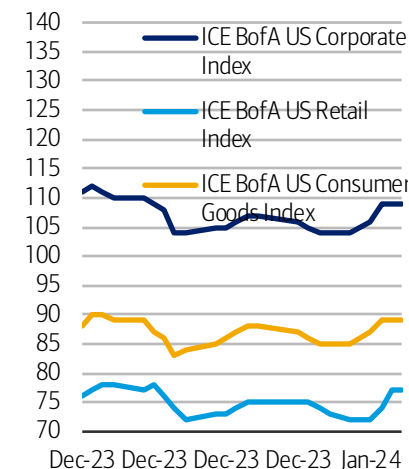
Last week's market performance

Market	Value	WoW
IG ICE BofA Index	109	+5
IG ICE BofA Index (yld)	5.34	+20
HY ICE BofA Index	463	+34
HY ICE BofA Index (yld)	8.06	+41
CDX IG 5yr	59	+3
CDX HY 5yr	371	+15
Consumer Cyclicals	77	+5
Consumer Non-Cyclicals	89	+4
5yr Treasury (yld)	4.01	+16
10yr Treasury (yld)	4.05	+17
30yr Treasury (yld)	4.20	+17
S&P 500 (index)	4,697	-1.5%

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 2023				
Mon, Jan-08	Tue, Jan-09	Wed, Jan-10	Thu, Jan-11	Fri, Jan-12
ICR Conference	ICR Conference	ICR Conference		
Mon, Jan-15	Tue, Jan-16	Wed, Jan-17	Thu, Jan-18	Fri, Jan-29

Source: Company filings, Bloomberg

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Exhibit 4: Notable Weekly Movers

TPR widened the most last week

Active Cash Trading				Active CDS			
Issuer	Chg (G-spread)	Issuer	Chg (G-spread)	Entity	5y	Chg	
TPR	4.125% 7/15/2027 +19	HAS	5.100% 5/15/2044 -17	Home Depot	30	-1	
CAG	5.400% 11/1/2048 +17	MDLZ	2.250% 9/19/2024 -11	Darden Restaurants	49	2	
HEIANA	1.750% 3/17/2031 +14	INGR	3.900% 6/1/2050 -10	General Mills	43	2	
MCD	4.200% 4/1/2050 +12	FLO	2.400% 3/15/2031 -4	Kraft Heinz	59	4	
COST	1.600% 4/20/2030 +12	TSN	4.350% 3/1/2029 -3	Conagra Brands	74	7	

Source: ICE Data Indices, LLC, Bloomberg

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Notable Consumer & Retail credit news**Retail**

Adobe Analytics reported that U.S. online holiday sales increased +4.9% y/y slightly ahead of its growth estimate of +4.8% and setting a new record. 56% of total holiday sales happened in the month of November (+6% y/y) while the remaining 44% occurred in December (+3.7% y/y). Electronics discounts were as much as 31% off listed prices (vs. 25% LY), toys as much as 28% (vs. 34% LY), and apparel 24% (vs. 19% LY).

- Buy now, pay later (BNPL) spend rose +14.3% y/y with November the biggest month for BNPL
- Adobe's Digital Price Index (tracking 18 category's prices) found that online prices have been falling for over a year now (-5.3% y/y in December)
- Adobe defines the holiday season as from November 1st through December 31, 2023.

Packaged Food

Conagra Brands (CAG, Baa3/BBB-/BBB-) 2Q organic sales were soft due to continued lower consumption trends (tighter purchasing behavior, less single-serve, cutting HH inventories) and price/mix turning negative (-0.5%) earlier than anticipated. EBITDA and margins beat driven by SG&A and A&P leverage plus Ardent Mills JV upside offsetting a gross margin miss (-129bps vs our -75bps est) from COGS inflation & unfavorable operating leverage. Leverage remained flat q/q at 3.6x, helped by net \$209mn debt repayment via term loan, but CAG now expects net leverage at year-end to be 3.55x or less than -0.1x y/y (prior 3.4x expectation) and in-line with our 3.6x net estimate. FY24 guidance was lowered below our estimates on expectations for a slower volume recovery and increased brand investments in the 2H of the year.

Exhibit 5: Conagra Brands 2Q24

CAG financial summary

	2Q24	BofA est.	Consensus
Revenue	-3.2%	-1.9%	-2.1%
Organic sales	-3.4%	-1.9%	-2.2%

Exhibit 5: Conagra Brands 2Q24

CAG financial summary

Adj. EBITDA	-7.0%	-10.8%	-6.0%
Adj. EBITDA margin	20.7%	19.6%	18.8%
Adj. EPS	\$0.71	\$0.68	\$0.69

	2Q24	BofA est.	Q/Q
Debt	\$9,070	\$9,229	(\$204)
Gross leverage	3.6x	3.7x	Flat
Net leverage	3.6x	3.7x	Flat

Source: BofA Global Research, Company filings, Visible Alpha

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FY24 guidance lowered

- **FY24:** (a) Org sales now expected to decrease -1-2% from prior +1% (vs. our +0.4% est.); (b) adj. operating margin now ~15.6% from prior 16-16.5% (vs. our 16.1% est.); (c) adj. EPS now \$2.60-2.65 from prior \$2.70-2.75 (vs. our \$2.69 est.); (d) capex of \$450mn (-\$50mn); (e) interest expense \$440mn (-\$10mn); (f) effective tax rate about 24%; and (g) pension income \$0mn
- Net COGS inflation ~3%
- Net leverage ratio (FY24) now 3.55x from prior 3.4x (in-line with our 3.6x est.); continue to expect to reach 3.0x by end of FY26 and debt paydown remains priority

Beverages

Constellation Brands (STZ, Baa3/BBB/--) beer business remains the portfolio anchor as both depletions and margins beat expectations despite lower shipments given planned brewery shutdowns and already largely hedged commodities. This helped offset material weakness in wine & spirits, hurt by heightened competitive activity as marketplace conditions softened along with apparent mis-execution in the wholesale channel (and contributed to President of W&S Robert Hanson stepping down at the end of FY24). FY24 guidance was updated to reflect stronger beer \$ profitability (still 38% margin) plus depletion acceleration exiting the quarter, a W&S reset, lower corporate & interest expense, and stronger FCF. Despite the reshuffle post investor day, management expressed confidence in the ability to achieve LT algorithm of +M-HSD% sales, 33-35% margin and +LDD% EPS for total STZ and return to net 3x leverage in FY25.

Exhibit 6: Constellation Brands 3Q24

STZ financial summary

	3Q24	Consensus
Revenue	+1.4%	+4.7%
Adj. EBITDA	+10.2%	+7.7%
Adj. EBITDA margin	38.3%	36.0%
Adj. EPS	\$3.19	\$3.01

	3Q24	Q/Q
Debt	\$11,699	(\$8)
Gross leverage	3.2x	Flat
Net leverage	3.2x	Flat

Source: Company filings, Visible Alpha

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Revenue-related commentary

- Net sales +1.4% y/y missed +4.7% est.: (a) Beer: sales +4.0% (vs. +5.4% est.) but depletion volumes rose +8.2% vs +5.9% est. led by strong demand across the Modelo & Pacifico franchises and shipment (STW) volumes increased +3.4%, slightly ahead of expectations. (b) Wine & Spirits (W&S): org sales -7% (vs. +3.1% est.) with shipments -10.3% and depletion volumes -10.0%



- W&S: Mainstream consumption headwinds affecting largest brands (i.e. Svedka & Woodbridge), competitive environment increasing as aggressive discounting has accelerated and the broader marketplace saw deceleration, notably in US wholesale
- Experienced acceleration in Beer depletion volumes at the end of November (Thanksgiving holiday) which continued into December
- 45% of beer volumes ship in 2H, 4Q will be 20-21%
- LT expect to continue +M-HSD% vols with pricing +1-2% annually

Profit & margin-related commentary

- Adj. EBITDA margins expanded +305bps (or +181bps ex Canopy). Adj. gross margins expanded +53bps (vs. -40bps est.) led by Beer while SG&A leveraged -106bps.
- By segment: (a) Beer unadj. operating margins expanded +94bps y/y on benefits from sales growth, pricing, marketing support, and cost efficiencies offsetting higher raw materials & packaging costs and operating costs via brewery capacity expansion, and (b) Wine & Spirits unadj. operating margins increased +65bps y/y benefits from lower freight, warehousing, and material costs.
- Still facing higher cost in packaging & raw material costs as well as higher depreciation costs given beer capacity needs
- Still believes +1-3% org. sales growth and 25-26% margins are attainable LT for W&S segment

Capital allocation

- Repurchased \$215mn stock in 3Q
- Remain on track to reach 3x leverage target during FY25

FY24 EPS Guidance updated

- FY24: (a) Adj. EPS (ex-Canopy) reaffirmed at \$12-\$12.20 (vs. \$11.71 est.); (b) Beer reaffirmed with net sales +8-9% y/y (+9.1% est.) and operating income nudged up to +7-8% (+7.6% est.); (c) Wine & Spirits lowered with org sales now -7-9% y/y (-2.3% est.) and operating income -6-8% (-3.1% est.); (d) corporate expense \$260-270mn; (e) interest expense \$450mn; (f) tax rate ~19% (ex-Canopy); (g) avg. diluted shares ~184mn; and (h) FCF raised +\$200mn to \$1.4-1.5bn including capex \$1.2-1.3bn (~\$1bn for Mexico beer operations)

Recent New Issuance

Bimbo Bakeries (Baa1/BBB+) tapped \$450mn of its 2029 Notes and issued \$800mn in 12yr Notes.. According to the filing the use of proceeds is for general corporate purposes.

BofA Current Recommendations

Exhibit 7: 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;

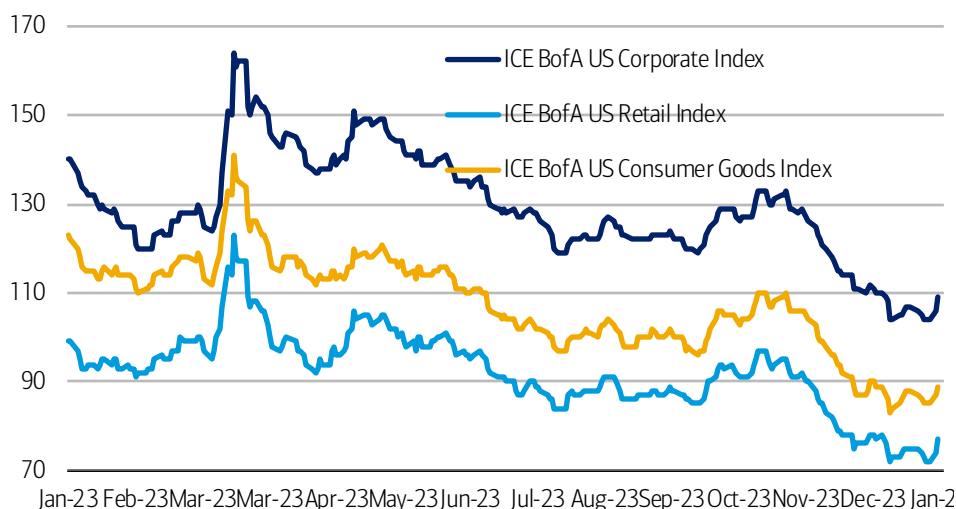
Notes (*): Underweight K long-end, Overweight ABIBB long-end (\$)

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Market Snapshot

Exhibit 8: 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 9: 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%	109 bps	5 bps	5 bps	5 bps	5 bps	\$92.2	5.34%	6.7	A3	-1.24%	-1.25%	-1.25%	-1.25%	6.17%	-25 bps	-24 bps	-24 bps	-24 bps	438 bps
Rating Categories																					
AAA US Corporate Index	118	1.1%	43 bps	3 bps	3 bps	3 bps	3 bps	\$86.5	4.71%	9.2	AAA	-1.67%	-1.68%	-1.68%	-1.68%	3.34%	-24 bps	-23 bps	-23 bps	-23 bps	307 bps
AA US Corporate Index	779	8.1%	59 bps	4 bps	3 bps	3 bps	3 bps	\$90.2	4.86%	7.3	AA3	-1.32%	-1.33%	-1.33%	-1.33%	4.27%	-23 bps	-22 bps	-22 bps	-22 bps	293 bps
Single-A US Corporate Index	4,111	43.6%	93 bps	5 bps	5 bps	5 bps	5 bps	\$92.5	5.18%	6.7	A2	-1.28%	-1.29%	-1.29%	-1.29%	5.40%	-28 bps	-28 bps	-28 bps	-28 bps	358 bps
BBB US Corporate Index	5,152	47.2%	133 bps	4 bps	4 bps	4 bps	4 bps	\$92.4	5.57%	6.6	BBB2	-1.19%	-1.20%	-1.20%	-1.20%	7.25%	-22 bps	-21 bps	-21 bps	-21 bps	537 bps
Maturity																					
1-3 Year US Corporate Index	2,088	22.8%	80 bps	5 bps	4 bps	4 bps	4 bps	\$96.7	5.31%	1.8	A3	-0.20%	-0.21%	-0.21%	-0.21%	5.38%	-6 bps	-5 bps	-5 bps	-5 bps	126 bps
3-5 Year US Corporate Index	1,780	18.6%	98 bps	6 bps	5 bps	5 bps	5 bps	\$96.5	5.14%	3.5	A3	-0.61%	-0.62%	-0.62%	-0.62%	6.23%	-16 bps	-16 bps	-16 bps	-16 bps	275 bps
5-7 Year US Corporate Index	1,216	12.1%	112 bps	5 bps	4 bps	4 bps	4 bps	\$92.2	5.18%	5.2	BBB1	-0.95%	-0.97%	-0.97%	-0.97%	6.79%	-20 bps	-19 bps	-19 bps	-19 bps	398 bps
7-10 Year US Corporate Index	1,456	15.0%	132 bps	6 bps	6 bps	6 bps	6 bps	\$92.6	5.37%	6.8	A3	-1.41%	-1.42%	-1.42%	-1.42%	6.75%	-39 bps	-38 bps	-38 bps	-38 bps	505 bps
10-15 Year US Corporate Index	560	5.1%	134 bps	5 bps	4 bps	4 bps	4 bps	\$100.8	5.46%	8.8	A3	-1.66%	-1.67%	-1.67%	-1.67%	6.94%	-33 bps	-32 bps	-32 bps	-32 bps	629 bps
15+ Year US Corporate Index	3,060	26.4%	121 bps	4 bps	4 bps	4 bps	4 bps	\$84.5	5.52%	13.6	A3	-2.53%	-2.54%	-2.54%	-2.54%	5.79%	-39 bps	-38 bps	-38 bps	-38 bps	732 bps
Industry																					
US Corporate Index																					
Industrials	6,053	59.0%	101 bps	4 bps	4 bps	4 bps	4 bps	\$91.6	5.25%	7.5	A3	-1.35%	-1.36%	-1.36%	-1.36%	6.11%	-23 bps	-23 bps	-23 bps	-23 bps	469 bps
Consumer Cyclical	348	3.6%	77 bps	5 bps	5 bps	5 bps	5 bps	\$90.6	4.99%	7.8	A2	-1.50%	-1.51%	-1.51%	-1.51%	4.86%	-32 bps	-31 bps	-31 bps	-31 bps	358 bps
US Corp Retail	263	2.9%	74 bps	6 bps	5 bps	5 bps	5 bps	\$90.5	4.96%	7.8	A2	-1.51%	-1.52%	-1.52%	-1.52%	4.73%	-33 bps	-32 bps	-32 bps	-32 bps	347 bps
US Corp Food & Drug Retail	37	0.3%	116 bps	-7 bps	2 bps	2 bps	2 bps	\$88.7	5.39%	7.6	BBB2	-1.27%	-1.28%	-1.28%	-1.28%	5.43%	-13 bps	-12 bps	-12 bps	-12 bps	382 bps
US Corp Restaurants	48	0.4%	72 bps	6 bps	5 bps	5 bps	5 bps	\$92.9	4.98%	8.0	BBB1	-1.61%	-1.62%	-1.62%	-1.62%	5.25%	-41 bps	-40 bps	-40 bps	-40 bps	415 bps
Consumer Non-Cyclical	601	5.6%	89 bps	4 bps	4 bps	4 bps	4 bps	\$92.7	5.11%	7.4	A3	-1.34%	-1.35%	-1.35%	-1.35%	6.11%	-23 bps	-22 bps	-22 bps	-22 bps	457 bps
US Corp Beverage	164	1.8%	70 bps	5 bps	4 bps	4 bps	4 bps	\$92.4	4.93%	8.5	A3	-1.60%	-1.61%	-1.61%	-1.61%	5.49%	-31 bps	-30 bps	-30 bps	-30 bps	466 bps
US Corp Food Wholesale	234	1.9%	94 bps	5 bps	4 bps	4 bps	4 bps	\$92.4	5.16%	7.1	BBB1	-1.30%	-1.31%	-1.31%	-1.31%	5.68%	-24 bps	-24 bps	-24 bps	-24 bps	392 bps
US Corp Tobacco	80	1.0%	131 bps	3 bps	2 bps	2 bps	2 bps	\$93.0	5.54%	7.0	BBB1	-1.11%	-1.12%	-1.12%	-1.12%	8.65%	-8 bps	-8 bps	-8 bps	-8 bps	663 bps
US Corp Consumer Products	123	0.9%	68 bps	4 bps	3 bps	3 bps	3 bps	\$93.5	4.87%	6.6	A2	-1.16%	-1.17%	-1.17%	-1.17%	5.32%	-19 bps	-18 bps	-18 bps	-18 bps	323 bps

Source: BofA Global Research, Bloomberg

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Exhibit 10: 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
01/04/2024	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
04/17/2023	MARS	MARS	A1/A	\$1000	4.550%	04/20/2028	87

Source: BofA Global Research, Bloomberg Data excludes FRN

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Exhibit 11: 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 G- spd	T- spd	CDS	Revenue	LTM EBITDAR	Debt	Cash	Net FCF	Credit Metrics			
						Bid	YTW									Total Debt/	Net Debt/	EV /	
																			EBITDAR
Walmart Inc (WMT)	4.100%	4/15/2033	\$1,500	Aa2 / AA / AA	S / S / S	\$97.1	4.48%	40	48	33	\$638,785	\$40,114	\$69,739	\$12,154	\$4,333	1.7x	1.4x	\$485,840	11.8x
Walmart Inc (WMT)	4.500%	4/15/2053	\$1,500	Aa2 / AA / AA	S / S / S	\$93.8	4.90%	66	74										
Costco Wholesale Corp (COST)	1.600%	4/20/2030	\$1,750	Aa3 / A+ / --	S / S / --	\$84.6	4.44%	41	45	37	\$238,710	\$10,798	\$8,884	\$13,700	\$4,818	0.8x	-0.5x	\$282,573	21.6x
Costco Wholesale Corp (COST)	1.750%	4/20/2032	\$1,000	Aa3 / A+ / --	S / S / --	\$81.6	4.42%	35	42										
Nike Inc (NKE)	2.850%	3/27/2030	\$1,500	A1 / AA- / --	S / S / --	\$90.5	4.62%	54	62	73	\$51,469	\$7,294	\$12,177	\$6,178	(\$2,558)	2.1x	1.3x	\$156,914	22.6x
Nike Inc (NKE)	3.375%	3/27/2050	\$1,500	A1 / AA- / --	S / S / --	\$78.8	4.81%	52	60										
Target Corp (TGT)	4.400%	1/15/2033	\$500	A2 / A / A	S / S / S	\$99.0	4.54%	47	54	41	\$106,518	\$7,783	\$18,442	\$1,910	\$1,518	2.4x	2.1x	\$82,415	13.3x
Target Corp (TGT)	4.800%	1/15/2053	\$1,150	A2 / A / A	S / S / S	\$96.1	5.06%	82	89										
TJX Companies Inc (TJX)	1.600%	5/15/2031	\$500	A2 / A / --	S / S / --	\$81.9	4.53%	45	52	206	\$52,326	\$8,340	\$2,861	\$4,290	\$1,465	1.5x	1.0x	\$112,749	13.2x
TJX Companies Inc (TJX)	4.500%	4/15/2050	\$385	A2 / A / --	S / S / --	\$92.6	5.01%	72	80										
Ralph Lauren Corp (RL)	2.950%	6/15/2030	\$750	A3 / A- / --	S / S / --	\$90.0	4.77%	72	78	--	\$6,503	\$882	\$2,882	\$1,382	(\$493)	3.3x	1.7x	\$10,545	7.0x
Amazon.com Inc (AMZN)	3.600%	4/13/2032	\$2,500	A1 / AA / AA-	S / S / S	\$93.4	4.57%	46	57										
Amazon.com Inc (AMZN)	3.950%	4/13/2052	\$2,500	A1 / AA / AA-	S / S / S	\$84.4	4.99%	71	81										
Ross Stores Inc (ROST)	1.875%	4/15/2031	\$500	A2 / BBB+ / --	S / S / --	\$81.3	4.96%	89	96	--	\$19,569	\$3,436	\$5,780	\$4,499	\$595	1.7x	0.4x	\$46,562	13.6x
Best Buy Co Inc (BBY)	1.950%	10/1/2030	\$650	A3 / BBB+ / --	S / S / --	\$82.5	5.04%	101	104	69	\$43,541	\$3,478	\$4,029	\$636	(\$239)	1.2x	1.0x	\$19,726	5.7x
Home Depot Inc (HD)	4.500%	9/15/2032	\$1,250	A2 / A / A	S / S / S	\$100.1	4.48%	41	48	30	\$153,714	\$26,741	\$49,255	\$2,058	\$1,810	2.0x	1.9x	\$388,512	13.1x
Home Depot Inc (HD)	4.950%	9/15/2052	\$1,000	A2 / A / A	S / S / S	\$97.9	5.09%	84	92										
Lowe's Companies Inc (LOW)	5.000%	4/15/2033	\$1,250	Baa1 / BBB+ / --	S / S / --	\$99.9	5.01%	93	100	42	\$90,219	\$14,739	\$40,053	\$1,531	(\$4,932)	2.7x	2.6x	\$160,739	10.8x
Lowe's Companies Inc (LOW)	5.625%	4/15/2053	\$1,500	Baa1 / BBB+ / --	S / S / --	\$101.4	5.53%	129	136										
VF Corp (VFC)	2.950%	4/23/2030	\$750	Baa3 / BBB / --	N / N / --	\$82.6	6.35%	230	236	163	\$11,391	\$1,521	\$8,151	\$499	(\$1,527)	5.4x	5.0x	\$13,876	9.0x
Tractor Supply (TSCO)	1.750%	11/1/2030	\$650	Baa1 / BBB+ / --	S / S / --	\$80.8	5.12%	107	112	--	\$14,902	\$2,323	\$4,977	\$422	(\$207)	2.1x	2.0x	\$28,223	13.0x
AutoZone Inc (AZO)	4.750%	8/1/2032	\$750	Baa1 / BBB / BBB	S / S / S	\$97.2	5.15%	108	115	41	\$17,457	\$4,471	\$7,669	\$277	(\$1,373)	2.3x	2.3x	\$55,611	12.4x
AutoZone Inc (AZO)	6.550%	11/1/2033	\$500	Baa1 / BBB / BBB	S / S / S	\$109.3	5.30%	123	130										
O' Reilly Automotive (ORLY)	1.750%	3/15/2031	\$500	Baa1 / BBB / --	S / S / --	\$80.2	5.07%	98	106	--	\$15,625	\$4,011	\$7,384	\$83	(\$533)	1.9x	1.9x	\$62,050	16.1x
O' Reilly Automotive (ORLY)	4.700%	6/15/2032	\$850	Baa1 / BBB / --	S / S / --	\$97.5	5.07%	100	107										
Genuine Parts Co. (GPC)	2.750%	2/1/2032	\$500	Baa1 / BBB / --	S / S / --	\$82.6	5.45%	136	145	--	\$23,028	\$2,387	\$4,237	\$655	(\$82)	2.3x	2.1x	\$22,751	12.4x
Genuine Parts Co. (GPC)	6.875%	11/1/2033	\$375	Baa1 / BBB / --	S / S / --	\$109.7	5.55%	148	155										
Advance Auto Parts (AAP)	3.900%	4/15/2030	\$500	Baa2 / BB+ / --	N / S / --	\$88.6	6.12%	206	212	--	\$11,296	\$1,350	\$4,462	\$318	(\$293)	3.3x	2.9x	\$7,339	7.8x
Advance Auto Parts (AAP)	3.500%	3/15/2032	\$501	Baa2 / BB+ / --	N / S / --	\$82.4	6.29%	224	229										
Dollar General Corp (DG)	5.450%	7/5/2033	\$1,000	Baa2 / BBB / --	S / S / --	\$100.2	5.42%	135	142	--	\$39,036	\$5,400	\$18,087	\$365	(\$1,160)	3.3x	3.3x	\$47,520	11.9x
Dollar General Corp (DG)	5.500%	11/1/2052	\$300	Baa2 / BBB / --	S / S / --	\$94.4	5.90%	163	173										
Dollar Tree Inc (DLTR)	2.650%	12/1/2031	\$800	Baa2 / BBB / --	S / S / --	\$83.9	5.15%	107	115	--	\$29,685	\$3,875	\$10,688	\$445	\$175	2.8x	2.6x	\$39,708	9.2x
Dollar Tree Inc (DLTR)	3.375%	12/1/2051	\$400	Baa2 / BBB / --	S / S / --	\$67.5	5.72%	146	154										
Tapestry Inc (TPR)	3.050%	3/15/2032	\$500	Baa2 *- / BBB / --	UR / N / --	\$79.4	6.32%	224	231	--	\$6,668	\$1,699	\$3,247	\$622	\$144	1.9x	1.5x	\$11,164	7.4x
Tapestry Inc (TPR)	7.850%	11/27/2033	\$1,250	Baa2 *- / BBB / --	UR / N / --	\$105.0	7.12%	305	311										
PVH Corp. (PVH)	4.625%	7/10/2025	\$499	Baa3 / BBB- / --	P / P / --	\$98.4	5.77%	116	117	--	\$9,217	\$1,463	\$3,660	\$358	(\$4)	2.5x	2.3x	\$10,280	5.7x
Dick's Sporting Goods (DKS)	3.150%	1/15/2032	\$750	Baa3 / BBB / --	S / S / --	\$84.1	5.64%	156	164	--	\$12,705	\$1,608	\$4,205	\$1,406	(\$64)	2.6x	1.7x	\$14,184	5.2x
Dick's Sporting Goods (DKS)	4.100%	1/15/2052	\$750	Baa3 / BBB / --	S / S / --	\$69.7	6.45%	219	227										
Nordstrom Inc (JWN)	4.250%	8/1/2031	\$425	Ba1 / BB+ / BB+	N / N / S	\$81.5	7.50%	342	350	206	\$14,592	\$1,473	\$4,496	\$375	\$189	3.1x	2.8x	\$6,986	4.8x
Nordstrom Inc (JWN)	5.000%	1/15/2044	\$966	Ba1 / BB+ / BB+	N / N / S	\$69.0	8.17%	380	387										
Kohl's Corporation (KSS)	4.625%	5/1/2031	\$500	Ba3 / BB / BBB-	N / N / N	\$77.0	8.98%	483	498	206	\$17,539	\$1,142	\$8,046	\$190	\$278	7.0x	6.9x	\$10,783	8.3x
Kohl's Corporation (KSS)	5.550%	7/17/2045	\$427	Ba3 / BB / BBB-	N / N / N	\$65.0	9.36%	491	507										

Source: BofA Global Research, Bloomberg

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Exhibit 12: Restaurant, Food & Drug Retail Historical Spread & Return Monitor

Benchmark spread and credit metrics by issuer

																	Credit Metrics			
																	Total Debt/	Net Debt/		
																			EV /	

Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

Exhibit 13: Consumer Products Historical 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	LTM				Net FCF	Credit Metrics			
						Bid	YTW	G-spd	T-spd		Revenue	EBITDA	Debt	Cash		Total Debt/EBITDA	Net Debt/EBITDA	EV/EBITDA	
Procter & Gamble (PG)	2.300%	2/1/2032	\$850	Aa3 / AA- / --	S / S / --	\$87.1	4.20%	13	19	32	\$83,265	\$22,375	\$35,880	\$9,733	\$2,091	1.6x	1.2x	\$374,732	18.1x
Procter & Gamble (PG)	4.050%	1/26/2033	\$850	Aa3 / AA- / --	S / S / --	\$98.5	4.25%	18	25										
Procter & Gamble (PG)	3.600%	3/25/2050	\$491	Aa3 / AA- / --	S / S / --	\$85.3	4.57%	29	36										
Colgate-Palmolive Co (CL)	3.250%	8/15/2032	\$500	Aa3 / AA- / --	S / N / --	\$91.3	4.48%	40	48	35	\$19,136	\$4,455	\$8,724	\$951	(\$136)	2.1x	1.9x	\$73,794	16.8x
Colgate-Palmolive Co (CL)	4.600%	3/1/2033	\$500	Aa3 / AA- / --	S / N / --	\$101.2	4.43%	34	43										
Colgate-Palmolive Co (CL)	3.700%	8/1/2047	\$500	Aa3 / AA- / --	S / N / --	\$85.0	4.77%	43	52										
Unilever Capital Corp (UNANA)	1.750%	8/12/2031	\$850	A1 / A+ / Au	S / S / S	\$81.6	4.65%	55	64	22	\$60,878	\$10,350	\$29,386	\$4,994	(\$284)	2.8x	2.4x	\$138,241	12.7x
Unilever Capital Corp (UNANA)	5.000%	12/8/2033	\$800	A1 / A+ / Au	S / S / S	\$101.9	4.75%	67	74										
Unilever Capital Corp (UNANA)	2.625%	8/12/2051	\$650	A1 / A+ / Au	S / S / S	\$66.2	4.86%	60	67										
Kimberly-Clark Corp (KMB)	2.000%	11/2/2031	\$600	A2 / A / --	S / S / --	\$83.4	4.56%	46	55	51	\$20,425	\$3,752	\$8,090	\$814	\$978	2.2x	2.0x	\$48,749	15.4x
Kimberly-Clark Corp (KMB)	4.500%	2/16/2033	\$350	A2 / A / --	S / S / --	\$99.2	4.61%	52	60										
Kimberly-Clark Corp (KMB)	2.875%	2/7/2050	\$500	A2 / A / --	S / S / --	\$69.8	4.95%	65	74										
SC Johnson & Son Inc (SCJOHN)	4.750%	10/15/2046	\$850	A- / BBB+ / --	S / N / --	\$90.2	5.51%	116	125	--	--	--	--	--	--	--	--	--	--
Estee Lauder Co Inc (EL)	4.650%	5/15/2033	\$700	A1 / A / --	N / N / --	\$98.5	4.85%	78	85	--	\$15,545	\$2,032	\$8,093	\$3,090	(\$283)	4.2x	3.0x	\$57,000	25.6x
Estee Lauder Co Inc (EL)	5.150%	5/15/2053	\$600	A1 / A / --	N / N / --	\$98.9	5.22%	99	106										
Kenvue (KVUE)	5.000%	3/22/2030	\$973	A1 / A / --	S / S / --	\$102.0	4.61%	54	62	--	\$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 / --	\$101.2	4.74%	66	73										
Kenvue (KVUE)	5.050%	3/22/2053	\$1,500	A1 / A / --	S / S / --	\$99.8	5.06%	82	90										
Reckitt Benckiser TSY (RKTLLN)	3.000%	6/26/2027	\$2,500	A3 / A- / --	S / S / --	\$94.4	4.77%	61	66	--	£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 / --	\$105.9	4.75%	67	75	--	\$5,776	\$1,307	\$2,405	\$573	\$792	1.9x	1.5x	\$25,125	17.7x
Church & Dwight Co Inc (CHD)	3.950%	8/1/2047	\$400	A3 / BBB+ / --	S / S / --	\$81.1	5.37%	102	112										
Church & Dwight Co Inc (CHD)	5.000%	6/15/2052	\$500	A3 / BBB+ / --	S / S / --	\$97.2	5.19%	93	101										
Clorox Company (CLX)	1.800%	5/15/2030	\$500	Baa1 / BBB+ / --	S / N / --	\$82.5	5.06%	103	107	80	\$7,035	\$1,074	\$2,913	\$518	\$247	2.9x	2.5x	\$20,381	15.8x
Clorox Company (CLX)	4.600%	5/1/2032	\$600	Baa1 / BBB+ / --	S / N / --	\$98.3	4.85%	78	85										
Haleon Plc (HLNLLN)	3.625%	3/24/2032	\$1,998	Baa1 / BBB / --	S / -- / --	\$90.87	4.99%	92	99	--	£9,545	£2,413	£9,782	£405	£25	4.1x	3.9x	\$40,045	16.6x
Haleon Plc (HLNLLN)	4.000%	3/24/2052	\$1,000	Baa1 / BBB / --	S / -- / --	\$82.4	5.20%	95	102										
Whirlpool Corp (WHR)	4.700%	5/14/2032	\$300	Baa1 / BBB / BBB	N / N / N	\$95.9	5.32%	122	131	146	\$19,290	\$1,489	\$7,664	\$1,123	(\$197)	5.3x	4.4x	\$13,936	7.4x
Whirlpool Corp (WHR)	5.500%	3/1/2033	\$300	Baa1 / BBB / BBB	N / N / N	\$100.9	5.37%	130	136										
Whirlpool Corp (WHR)	4.600%	5/15/2050	\$500	Baa1 / BBB / BBB	N / N / N	\$82.3	5.94%	165	173										
Hasbro Inc (HAS)	3.900%	11/19/2029	\$900	Baa2 / BBB / BBB-	N / N / S	\$92.3	5.45%	141	146	104	\$5,393	\$1,026	\$3,715	\$186	(\$146)	3.6x	3.5x	\$10,414	7.7x
Hasbro Inc (HAS)	5.100%	5/15/2044	\$300	Baa2 / BBB / BBB-	N / N / S	\$87.9	6.15%	177	185										
Brunswick Corp (BC)	2.400%	8/18/2031	\$550	Baa2 / BBB- / BBB	S / S / S	\$79.6	5.75%	168	175	206	\$6,622	\$1,083	\$2,635	\$331	(\$361)	2.4x	2.1x	\$8,385	5.7x
Brunswick Corp (BC)	4.400%	9/15/2032	\$450	Baa2 / BBB- / BBB	S / S / S	\$89.6	5.94%	186	194										
Brunswick Corp (BC)	5.100%	4/1/2052	\$300	Baa2 / BBB- / BBB	S / S / S	\$77.1	6.96%	268	278										
Mattel Inc (MAT)	3.750%	4/1/2029	\$600	Baa3 / BBB- / BB+	S / P / P	\$90.8	5.82%	179	183	254	\$5,222	\$679	\$2,672	\$456	\$256	3.9x	3.3x	\$8,606	7.8x
Newell Brands Inc (NWL)	6.625%	9/15/2029	\$500	Ba2 / BB / BB-	N / N / S	\$98.3	7.00%	298	301	408	\$8,342	\$1,226	\$6,010	\$396	(\$1,294)	4.9x	4.6x	\$8,777	9.1x
Newell Brands Inc (NWL)	6.500%	4/1/2046	\$666	Ba2 / BB / BB-	N / N / S	\$80.6	8.44%	412	417										

Source: BofA Global Research, Bloomberg

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Exhibit 14: 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	LTM Revenue	LTM EBITDA	LTM Debt	LTM Cash	Net FCF (CHF)	Credit Metrics			
						Bid	YTW	G- T-		Total Debt/							Net Debt/	EV /		
								spd	spd											
Nestle Holdings Inc. (NESNVX)	4.8500%	3/14/2033	\$650	Aa3 / AA- / A+	S / S / S	\$100.4	4.79%	64	79	33	CHF 95,498	CHF 16,476	CHF 53,501	CHF 3,667	(CHF 11,485)	3.2x	3.0x	\$319,280	18.5x	
Nestle Holdings Inc. (NESNVX)	4.7000%	1/15/2053	\$1,000	Aa3 / AA- / A+	S / S / S	\$97.3	4.88%	64	71											
Hershey Company (HSY)	4.5000%	5/4/2033	\$400	A1 / A / --	S / S / --	\$99.0	4.63%	56	62	28	\$11,160	\$3,113	\$4,914	\$471	\$521	1.7x	1.6x	\$43,133	18.4x	
Hershey Company (HSY)	2.6500%	6/1/2050	\$350	A1 / A / --	S / S / --	\$66.4	4.95%	65	74											
Mars Inc. (MARS)	1.6250%	7/16/2032	\$700	A1 / A+ / --	S / S / --	\$78.1	4.78%	70	77	--	--	--	--	--	--	--	--	--	--	
Mars Inc. (MARS)	2.4500%	7/16/2050	\$400	A1 / A+ / --	S / S / --	\$60.7	5.19%	91	99											
Hormel Foods (HRL)	1.8000%	6/11/2030	\$1,000	A1 / A- / --	S / S / --	\$84.0	4.71%	65	72	--	\$12,195	\$1,325	\$3,481	\$737	\$172	2.6x	2.1x	\$20,318	14.3x	
Hormel Foods (HRL)	3.0500%	6/3/2051	\$600	A1 / A- / --	S / S / --	\$69.6	5.12%	85	93											
Archer-Daniels-Midland Co (ADM)	4.5000%	8/15/2033	\$500	A2 / A / A	S / S / S	\$98.4	4.70%	64	70	45	\$97,188	\$3,306	\$10,288	\$1,498	(\$190)	3.1x	2.7x	\$46,124	10.9x	
Archer-Daniels-Midland Co (ADM)	2.7000%	9/15/2051	\$750	A2 / A / A	S / S / S	\$65.3	5.03%	77	85											
Cargill Inc (CARGIL)	4.7500%	4/24/2033	\$500	A2 / A / A	S / S / S	\$98.0	5.02%	81	102	48	--	--	--	--	--	--	--	--	--	
Cargill Inc (CARGIL)	4.3750%	4/22/2052	\$500	A2 / A / A	S / S / S	\$88.3	5.17%	89	99											
Danone SA (BNFP)	0.3950%	6/10/2029	\$800	Baa1 / BBB+ / --	S / S / --	\$87.0	3.03%	91	98	42	\$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 / --	\$90.7	4.95%	69	74											
Mondelez International (MDLZ)	3.0000%	3/17/2032	\$750	Baa1 / BBB / --	S / S / --	\$87.4	4.89%	81	89	51	\$35,397	\$6,803	\$19,986	\$1,610	\$530	3.2x	2.9x	\$118,335	17.8x	
Mondelez International (MDLZ)	2.6250%	9/4/2050	\$1,125	Baa1 / BBB / WD	S / S / --	\$64.4	5.08%	79	88											
Ingredion Inc (INGR)	2.9000%	6/1/2030	\$600	Baa1 / BBB / BBB	S / S / S	\$88.2	5.09%	103	109	--	\$8,226	\$1,148	\$2,406	\$335	\$123	2.2x	1.9x	\$9,059	8.4x	
Ingredion Inc (INGR)	3.9000%	6/1/2050	\$400	Baa1 / BBB / BBB	S / S / S	\$72.6	5.98%	167	177											
Sysco Corporation (SYV)	2.4500%	12/14/2031	\$450	Baa1 / BBB / BBB	S / S / S	\$83.5	5.00%	92	99	64	\$76,818	\$3,954	\$11,698	\$569	\$739	3.0x	2.8x	\$49,319	11.4x	
Sysco Corporation (SYV)	6.0000%	1/17/2034	\$500	Baa1 / BBB / BBB	S / S / S	\$106.9	5.10%	102	109											
Sysco Corporation (SYV)	3.1500%	12/14/2051	\$800	Baa1 / BBB / BBB	S / S / S	\$69.5	5.24%	97	106											
McCormick & Co (MKC)	4.9500%	4/15/2033	\$500	Baa2 / BBB / --	S / N / --	\$99.0	5.08%	102	108	--	\$6,605	\$1,311	\$4,777	\$155	\$344	3.6x	3.6x	\$22,724	24.0x	
McCormick & Co (MKC)	4.2000%	8/15/2047	\$300	Baa2 / BBB / --	S / N / --	\$83.6	5.44%	111	119											
General Mills Inc (GIS)	4.9500%	3/29/2033	\$1,000	Baa2 / BBB / --	S / S / --	\$99.6	5.00%	92	100	42	\$20,281	\$4,109	\$12,282	\$491	(\$516)	3.1x	3.0x	\$49,217	14.8x	
General Mills Inc (GIS)	3.0000%	2/1/2051	\$605	Baa2 / BBB / --	S / S / --	\$66.1	5.39%	110	120											
Kellogg Co (K)	5.2500%	3/1/2033	\$400	Baa2 / BBB / BBB	S / N / S	\$100.5	5.18%	109	118	68	\$15,866	\$2,536	\$7,674	\$1,099	\$440	3.7x	3.3x	\$26,221	12.7x	
Kellogg Co (K)	4.5000%	4/1/2046	\$650	Baa2 / BBB / BBB	S / N / S	\$86.1	5.60%	122	133											
Flowers Foods Inc (FLO)	2.4000%	3/15/2031	\$500	Baa2 / BBB / BBB	S / S / S	\$83.3	5.22%	114	122	--	\$5,044	\$571	\$1,175	\$15	(\$29)	2.1x	2.0x	\$6,108	12.5x	
JM Smucker Co (SJM)	6.2000%	11/15/2033	\$1,000	Baa2 / BBB / --	S / N / --	\$107.6	5.18%	111	118	--	\$8,461	\$1,668	\$4,495	\$241	(\$229)	2.6x	2.4x	\$17,486	11.5x	
JM Smucker Co (SJM)	6.5000%	11/15/2053	\$1,000	Baa2 / BBB / --	S / N / --	\$111.3	5.70%	146	154											
Tyson Foods Inc (TSN)	4.3500%	3/1/2029	\$1,000	Baa2 / BBB / BBB	N / S / S	\$96.5	5.13%	108	114	75	\$52,999	\$2,149	\$9,506	\$573	(\$1,200)	4.4x	4.2x	\$29,155	11.4x	
Tyson Foods Inc (TSN)	5.1000%	9/28/2048	\$1,500	Baa2 / BBB / BBB	N / S / S	\$88.9	5.97%	166	173											
Campbell Soup Co (CPB)	2.3750%	4/24/2030	\$500	Baa2 / BBB- / BBB *-	S / S / --	\$86.4	4.92%	85	92	51	\$9,357	\$1,753	\$4,689	\$189	\$206	2.9x	2.8x	\$17,909	10.1x	
Campbell Soup Co (CPB)	3.1250%	4/24/2050	\$500	Baa2 / BBB- / BBB *-	S / S / --	\$66.5	5.57%	127	136											
Conagra Brands Inc (CAG)	7.0000%	10/1/2028	\$382	Baa3 / BBB- / BBB-	S / S / S	\$106.8	5.36%	127	136	51	\$12,277	\$2,586	\$9,274	\$93	\$61	3.6x	3.6x	\$22,493	11.1x	
Conagra Brands Inc (CAG)	5.4000%	11/1/2048	\$1,000	Baa3 / BBB- / BBB-	S / S / S	\$92.3	6.00%	169	177											
Kraft Heinz Foods Co (KHQ)	3.7500%	4/1/2030	\$741	Baa2 / BBB / BBB	S / P / S	\$93.9	4.90%	82	90	59	\$27,161	\$6,400	\$19,878	\$1,053	\$545	3.1x	2.9x	\$65,543	10.2x	
Kraft Heinz Foods Co (KHQ)	4.3750%	6/1/2046	\$2,786	Baa2 / BBB / BBB	S / P / S	\$84.6	5.59%	124	132											
Kraft Heinz Foods Co (KHQ)	4.8750%	10/1/2049	\$1,450	Baa2 / BBB / BBB	S / P / S	\$91.9	5.47%	119	125											
JBS USA (JBSSBZ)	6.7500%	3/15/2034	\$1,600	Baa3 / BBB- / BBB-	S / S / S	\$103.6	6.26%	219	226	--	R\$ 360,341	R\$ 16,494	R\$ 101,338	R\$ 26,790	-R\$ 5,989	6.1x	4.5x	R\$ 146,622	4.0x	
JBS USA (JBSSBZ)	7.2500%	11/15/2053	\$900	Baa3 / BBB- / BBB-	S / S / S	\$105.3	6.83%	260	267											
Pilgrim's Pride (PPC)	6.2500%	7/1/2033	\$1,000	Ba2 / BBB- / BBB-	S / N / S	\$101.3	6.07%	200	206	--	\$16,961	\$670	\$3,596	\$899	(\$17)	5.4x	4.0x	\$9,722	5.2x	
Pilgrim's Pride (PPC)	6.8750%	5/15/2034	\$500	Ba2 / BBB- / BBB-	S / N / S	\$106.3	6.03%	194	202											
Smithfield Foods Inc (SFD)	2.6250%	9/13/2031	\$500	Ba1 / BBB- / BBB	S / S / S	\$76.5	6.56%	249	256	51	--	--	--	--	--	--	--	--	--	

Source: BofA Global Research, Bloomberg

Exhibit 15: Beverages Historical Spread & Return Monitor

Benchmark spread and credit metrics by issuer

																Credit Metrics				
Issuer	Coupon	Maturity	Outstanding (\$mil)	Ratings Mdy/S&P/Fit	Outlook	Current Pricing			5-yr CDS	LTM			Net FCF	Total Debt/ EBITDA	Net Debt/ EBITDA	EV / EBITDA				
						Bid	YTW	spd		Revenue	EBITDA	Debt					Cash			
						G- T-	spd	spd												
The Coca-Cola Co. (KO)	2.250%	1/5/2032	\$2,000	A1 / A+ / WD	S / S / --	\$85.8	4.38%	31	37	51	\$45,031	\$16,079	\$40,171	\$11,883	\$1,741	2.5x	1.5x	\$284,222	21.5x	
The Coca-Cola Co. (KO)	3.000%	3/5/2051	\$1,700	A1 / A+ / WD	S / S / --	\$72.3	4.85%	55	65											
Coca-Cola European Partners (CCEP)	1.500%	1/15/2027	\$500	Baa1 / -- / BBB+	S / -- / S	\$89.9	5.15%	95	100	--	\$18,017	\$3,096	\$11,907	\$1,112	\$1,539	3.8x	3.5x	\$36,883	11.1x	
PepsiCo Inc (PEP)	4.450%	2/15/2033	\$1,000	A1 / A+ / --	S / S / --	\$100.5	4.38%	30	38	51	\$91,617	\$16,953	\$44,774	\$10,283	(\$550)	3.0x	2.4x	\$266,925	18.2x	
PepsiCo Inc (PEP)	2.750%	10/21/2051	\$1,000	A1 / A+ / --	S / S / --	\$67.5	4.90%	60	72											
PepsiCo Inc (PEP)	4.650%	2/15/2053	\$500	A1 / A+ / --	S / S / --	\$95.8	4.92%	66	76											
Brown-Forman Corp (BFB)	4.500%	7/15/2045	\$500	A1 / A- / WD	S / S / --	\$90.6	5.24%	87	95	--	\$4,272	\$1,355	\$3,110	\$373	\$79	2.3x	2.1x	\$29,336	25.2x	
Brown-Forman Corp (BFB)	4.750%	4/15/2033	\$650	A1 / A- / --	S / S / --	\$100.9	4.63%	59	63											
Diageo Investment Corp (DGELN)	5.500%	1/24/2033	\$750	A3 / A- / A-u	S / S / S	\$105.3	4.76%	69	76	30	£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	\$87.3	3.34%	113	118											
Diageo Investment Corp (DGELN)	3.875%	4/29/2043	\$500	A3 / A- / A-u	S / S / S	\$84.0	5.20%	83	91											
Anheuser-Busch InBev Fin (ABIBB)	4.900%	1/23/2031	\$750	A3 / A- / --	S / S / --	\$101.8	4.60%	50	60	80	\$59,091	\$19,928	\$80,900	\$6,848	\$4,662	4.1x	3.7x	\$215,160	10.8x	
Anheuser-Busch InBev Fin (ABIBB)	4.900%	2/1/2046	\$9,519	A3 / A- / --	S / S / --	\$95.5	5.25%	90	97											
Anheuser-Busch InBev Fin (ABIBB)	4.500%	6/1/2050	\$1,102	A3 / A- / --	S / S / --	\$92.0	5.05%	76	84											
Heineken NV (HEIANA)	1.750%	3/17/2031	\$750	A3 / BBB+ / --	S / S / --	\$90.1	3.33%	123	129	31	€ 29,725	€ 5,824	€ 19,857	€ 2,168	-€ 1,560	3.4x	3.0x	€ 72,007	11.6x	
Heineken NV (HEIANA)	4.350%	3/29/2047	\$650	A3 / BBB+ / --	S / S / --	\$87.4	5.30%	96	104											
Pernod Ricard SA (RIFP)	1.625%	4/1/2031	\$900	Baa1 / BBB+ / BBB+	S/S/S	\$79.5	5.04%	97	104	80	€ 12,136	€ 3,765	€ 10,741	€ 1,624	(€ 427)	2.9x	2.4x	€ 48,826	16.7x	
Pernod Ricard SA (RIFP)	2.750%	10/1/2050	\$500	Baa1 / BBB+ / BBB+	S/S/S	\$64.5	5.23%	93	103											
Suntory Holdings LTD (SUNTOR)	6.625%	7/15/2028	\$184	Baa1 / BBB+ / WD	S / S / --	\$106.1	5.09%	101	107	--	¥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	3.48%	138	145	--	--	--	--	--	--	--	--	--	--	
JAB Holdings BV (JABHOL)	3.750%	5/28/2051	\$500	Baa1 / BBB+ / --	S / S / --	\$66.3	6.36%	208	217											
JAB Holdings BV (JABHOL)	4.500%	4/8/2052	\$500	Baa1 / BBB+ / --	S / S / --	\$75.8	6.35%	209	217											
Keurig Dr Pepper (KDP)	4.050%	4/15/2032	\$850	Baa1 / BBB / --	S / S / --	\$94.5	4.87%	79	86	--	\$14,750	\$4,116	\$12,860	\$260	(\$467)	3.1x	3.1x	\$58,798	15.5x	
Keurig Dr Pepper (KDP)	3.350%	3/15/2051	\$500	Baa1 / BBB / --	S / S / --	\$72.4	5.27%	100	108											
Keurig Dr Pepper (KDP)	4.500%	4/15/2052	\$1,150	Baa1 / BBB / --	S / S / --	\$88.4	5.30%	106	112											
Constellation Brands Inc (STZ)	4.750%	5/9/2032	\$700	Baa3 / BBB / --	S / S / --	\$98.4	4.99%	94	99	96	\$9,786	\$3,486	\$11,707	\$83	\$686	3.2x	3.2x	\$57,201	15.8x	
Constellation Brands Inc (STZ)	4.900%	5/1/2033	\$750	Baa3 / BBB / --	S / S / --	\$99.4	4.98%	93	98											
Constellation Brands Inc (STZ)	3.750%	5/1/2050	\$600	Baa3 / BBB / --	S / S / --	\$77.3	5.38%	108	117											
Molson Coors Brewing Co (TAP)	3.000%	7/15/2026	\$2,000	Baa2 / BBB / WD	P / S / --	\$95.4	4.96%	65	70	75	\$11,541	\$2,412	\$6,180	\$802	\$950	2.7x	2.3x	\$19,126	8.4x	
Molson Coors Brewing Co (TAP)	4.200%	7/15/2046	\$1,800	Baa2 / BBB / WD	P / S / --	\$82.8	5.54%	120	128											
Bacardi LTD (BACARD)	5.400%	6/15/2033	\$700	Baa3 / BBB- / BBB-	-- / -- / --	\$99.9	5.42%	134	142	--	--	--	--	--	--	--	--	--	--	
Bacardi LTD (BACARD)	5.900%	6/15/2043	\$400	Baa3 / BBB- / BBB-	-- / -- / --	\$100.3	5.87%	151	159											
Bacardi LTD (BACARD)	5.300%	5/15/2048	\$700	Baa3 / BBB- / BBB-	S / S / S	\$93.0	5.84%	152	160											
JDE Peet's NV (JDEPNA)	2.250%	9/24/2031	\$500	Baa3 / BBB- / BBB	S / S / S	\$79.1	5.62%	156	162	--	€ 8,243	€ 1,360	€ 4,967	€ 755	€ 522	3.7x	3.1x	€ 16,177	11.3x	

Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH





Exhibit 16: 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 / -- / --	\$80.7	5.35%	127	134		¥2,806,302	¥875,721	¥1,018,639	¥869,042	¥136,212	1.2x	0.2x	¥319,280	0.4x
Japan Tobacco (JAPTOB)	3.300%	9/14/2051	\$400	A2 / A+ / --	S / -- / --	\$66.2	5.75%	147	157										
Philip Morris Intl Inc (PM)	1.750%	11/1/2030	\$750	A2 / A- / A	S / S / N	\$81.1	5.07%	99	107	51	\$34,359	\$14,111	\$47,715	\$3,017	(\$276)	3.5x	3.3x	\$194,369	13.8x
Philip Morris Intl Inc (PM)	5.750%	11/17/2032	\$1,500	A2 / A- / A	S / S / N	\$103.9	5.19%	114	118										
Philip Morris Intl Inc (PM)	5.375%	2/15/2033	\$2,250	A2 / A- / A	S / S / N	\$100.7	5.27%	117	127										
Philip Morris Intl Inc (PM)	5.625%	9/7/2033	\$1,000	A2 / A- / A	S / S / N	\$102.9	5.23%	119	123										
Philip Morris Intl Inc (PM)	4.250%	11/10/2044	\$1,250	A2 / A- / A	S / S / N	\$83.6	5.59%	121	130										
Altria Group (MO)	3.125%	6/15/2031	\$1,250	A3 / BBB / BBB	S / P / S	\$89.7	4.80%	270	277	51	\$20,561	\$12,131	\$25,098	\$1,537	\$641	2.1x	2.0x	\$96,992	8.0x
Altria Group (MO)	2.450%	2/4/2032	\$1,750	A3 / BBB / BBB	S / P / S	\$80.5	5.48%	140	147										
Altria Group (MO)	6.875%	11/1/2033	\$500	A3 / BBB / BBB	S / P / S	\$109.1	5.63%	155	162										
Altria Group (MO)	5.375%	1/31/2044	\$1,800	A3 / BBB / BBB	S / P / S	\$96.6	5.66%	125	135										
Altria Group (MO)	3.700%	2/4/2051	\$1,250	A3 / BBB / BBB	S / P / S	\$68.2	6.12%	181	193										
British American Tobacco (BATSLN)	2.726%	3/25/2031	\$1,250	Baa2 / BBB+ / BBB	P / N / P	\$82.63	5.70%	161	169	86	£28,227	£13,906	£42,169	£3,681	£2,318	3.0x	2.8x	\$91,146	6.6x
British American Tobacco (BATSLN)	7.750%	10/19/2032	\$600	Baa2 / BBB+ / BBB	P / N / P	\$111.3	6.04%	193	204										
British American Tobacco (BATSLN)	4.742%	3/16/2032	\$900	Baa2 / BBB+ / BBB	P / N / P	\$94.3	5.63%	153	162										
British American Tobacco (BATSLN)	6.421%	8/2/2033	\$1,250	Baa2 / BBB+ / BBB	P / N / P	\$102.8	6.02%	192	202										
British American Tobacco (BATSLN)	5.282%	4/2/2050	\$500	Baa2 / BBB+ / BBB	P / N / P	\$82.6	6.70%	240	249										
British American Tobacco (BATSLN)	3.984%	9/25/2050	\$1,000	Baa2 / BBB+ / BBB	P / N / P	\$68.6	6.47%	218	226										
British American Tobacco (BATSLN)	5.650%	3/16/2052	\$600	Baa2 / BBB+ / BBB	P / N / P	\$87.1	6.67%	240	249										
British American Tobacco (BATSLN)	7.081%	8/2/2053	\$1,000	Baa2 / BBB+ / BBB	P / N / P	\$103.5	6.80%	256	264										
Imperial Brands Fin Plc (IMBLN)	3.875%	7/26/2029	\$1,000	Baa3 / BBB / BBB	S / S / S	\$92.7	5.41%	137	142	80	£7,961	£4,073	£10,249	£596	(£186)	2.5x	2.4x	£25,363	6.2x

Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

Valuation & risk

Conagra Brands (CAG)

Conagra Brands (CAG) manufactures and distributes frozen & refrigerated meals, snacks, desserts, condiments, enhancers and other foods primarily through retail and foodservice channels. Executing a LT portfolio transformation, CAG seeks to sustainably improve brand positioning & distribution while improving EBITDA margins via cost savings & productivity efforts, market share gains & innovation while also managing an IG balance sheet & steady shareholder returns. Execution has been inconsistent as CAG deals with cost inflation & demand uncertainty and working capital weighs on free cash flow. Management's IG rating commitment is firm but headroom has narrowed vs. peers leaving spreads & CDS trading at fair value relative to potential downgrade risk.

Upside risks are lasting consumption benefits related to innovation, trial & repeat buying, a faster margin rebound as costs decelerate, cash conversion improves or divestiture proceeds are used for deleveraging. Downside risks are failed brand adoption due to rising prices, sharp volume elasticity, or management chooses M&A and buybacks over debt reduction.

JM Smucker (SJM)

Our Marketweight cash recommendation on J.M. Smucker is based on traction in its Consumer Foods portfolio, primarily snacking, and Retail Coffee stabilization after a multi-year investment period and benefits from changed at-home consumption behavior. SJM still operates in highly competitive categories of Pet and Coffee which we believe will remain volatile but the company has improved its cash productivity, FCF and reduced balance sheet leverage adding a cushion to bonds and mid-BBB ratings. Relative valuation within BBB packaged food has normalized and we see fewer catalysts going forward for underperformance vs. peers. Upside to our recommendation could be accelerating underlying growth via innovation, continued success with cost-savings programs and reducing debt toward the low end of their 2.5-3.0x leverage target. Downside risks are reemerging execution missteps, inflation pressuring margins, heightened volatility in underlying peanut or coffee commodities or intensified competition/share loss in the Pet segment. More aggressive shareholder returns or transformational M&A, an area of interest, could also weigh on spreads.

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

Conagra Brands / CAG

	Amt		Ratings			Yield	Spread
Security		Maturity date	Moody's/S&P/Fitch	Price	Price date	(%)	(bps)
4.3, Senior, USD, 2024:B	1,000	01-MAY-2024	Baa3/BBB-/BBB-	99.51	05-Jan-2024	5.82	41
4.6, Senior, USD, 2025:B	1,000	01-NOV-2025	Baa3/BBB-/BBB-	98.74	05-Jan-2024	5.33	86
4.85, Senior, USD, 2028:B	1,300	01-NOV-2028	Baa3/BBB-/BBB-	98.95	05-Jan-2024	5.10	104
5.3, Senior, USD, 2038:B	1,000	01-NOV-2038	Baa3/BBB-/BBB-	95.27	05-Jan-2024	5.78	159
5.4, Senior, USD, 2048:B	1,000	01-NOV-2048	Baa3/BBB-/BBB-	92.72	05-Jan-2024	5.97	159
1.375, Senior, USD, 2027:B	1,000	01-NOV-2027	Baa3/BBB-/BBB-	87.23	05-Jan-2024	5.10	98
Secured, USD, Y5:CDS	42		Neutral		24-Jul-2023		66

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

JM Smucker / SJM

	Amt		Ratings			Yield	Spread
Security		Maturity date	Moody's/S&P/Fitch	Price	Price date	(%)	(bps)
3.5, Senior, USD, 2025:B	1,000	15-MAR-2025	Baa2/BBB/NR	97.92	05-Jan-2024	5.32	59
3.375, Senior, USD, 2027:B	500	15-DEC-2027	Baa2/BBB/NR	94.58	05-Jan-2024	4.90	79
2.375, Senior, USD, 2030:B	500	15-MAR-2030	Baa2/BBB/NR	85.49	05-Jan-2024	5.14	112
4.25, Senior, USD, 2035:B	650	15-MAR-2035	Baa2/BBB/NR	91.13	05-Jan-2024	5.31	124
4.375, Senior, USD, 2045:B	600	15-MAR-2045	Baa2/BBB/NR	85.60	05-Jan-2024	5.54	115
3.55, Senior, USD, 2050:B	300	15-MAR-2050	Baa2/BBB/NR	71.31	05-Jan-2024	5.66	133
2.125, Senior, USD, 2032:B	500	15-MAR-2032	Baa2/BBB/NR	79.83	05-Jan-2024	5.18	115

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Disclosures

Important Disclosures

Credit opinion history

Conagra Brands / CAG

Company	Date ^{R1}	Action	Recommendation	
Conagra Brands / CAG	31-Dec-2020		Marketweight	
Security	Date ^{R1}	Action	Recommendation	Price
4.3, Senior, USD, 2024:B	31-Dec-2022		Marketweight	
4.6, Senior, USD, 2025:B	31-Dec-2022		Marketweight	
4.85, Senior, USD, 2028:B	31-Dec-2022		Marketweight	
5.3, Senior, USD, 2038:B	31-Dec-2022		Marketweight	
5.4, Senior, USD, 2048:B	31-Dec-2022		Marketweight	
1.375, Senior, USD, 2027:B	31-Dec-2022		Marketweight	
Secured, USD, Y5:CDS	31-Dec-2022		Neutral	

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."

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

JM Smucker / SJM

Company	Date ^{R2}	Action	Recommendation	
JM Smucker / SJM	31-Dec-2020		Marketweight	
	11-Sep-2023	Restricted	NA	
	14-Sep-2023	Coverage Resumed	Marketweight	
Security	Date ^{R2}	Action	Recommendation	Price
3.5, Senior, USD, 2025:B	31-Dec-2022		Marketweight	
	11-Sep-2023	Restricted	NA	NA
	14-Sep-2023	Coverage Resumed	Marketweight	
3.375, Senior, USD, 2027:B	31-Dec-2022		Marketweight	
	11-Sep-2023	Restricted	NA	NA
	14-Sep-2023	Coverage Resumed	Marketweight	
2.375, Senior, USD, 2030:B	31-Dec-2022		Marketweight	
	11-Sep-2023	Restricted	NA	NA
	14-Sep-2023	Coverage Resumed	Marketweight	
4.25, Senior, USD, 2035:B	31-Dec-2022		Marketweight	
	11-Sep-2023	Restricted	NA	NA
	14-Sep-2023	Coverage Resumed	Marketweight	
4.375, Senior, USD, 2045:B	31-Dec-2022		Marketweight	
	11-Sep-2023	Restricted	NA	NA
	14-Sep-2023	Coverage Resumed	Marketweight	
3.55, Senior, USD, 2050:B	31-Dec-2022		Marketweight	
	11-Sep-2023	Restricted	NA	NA
	14-Sep-2023	Coverage Resumed	Marketweight	
2.125, Senior, USD, 2032:B	31-Dec-2022		Marketweight	
	11-Sep-2023	Restricted	NA	NA
	14-Sep-2023	Coverage Resumed	Marketweight	

Table reflects credit opinion history as of previous business day's close. ^{R2}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."



JM Smucker / SJM**Company****Date^{R2}****Action****Recommendation**

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BofA Global Research Credit Opinion Key

BofA Global Research provides recommendations on an issuer's bonds (including corporate and sovereign external debt securities), loans, capital securities, equity preferreds and CDS as described below. Convertible securities are not rated. An issuer level recommendation may also be provided for an issuer as explained below. BofA Global Research credit recommendations are assigned using a three-month time horizon.

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Underweight: Spreads and/or excess returns are likely to underperform the relevant and comparable market over the next three months.

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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 ^{R3}	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%

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