

HIGH YIELD MARKET UPDATE

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MARKET SNAPSHOT:

- HY Index Yield: 7.8%
- Spread to Treasuries: 340 bps
- Default Rate (TTM): 2.8%

SECTOR VIEWS:

- Energy: Neutral (oil stable)
- Healthcare: Overweight
- Retail: Underweight
- Telecom: Underweight

QUALITY TILT:

- Prefer BB over CCC
- Avoid distressed credits

TOP PICKS:

- Carnival Corp 7.0% 2029
- HCA Healthcare 5.5% 2028