

Muzinich & Co. Corporate Credit Snapshot | April 2026



KEY TAKEAWAYS

- Global credit delivered positive returns across the board in April, with spread tightening as the primary driver of performance
- While markets reversed many of the worst-case scenarios priced in during March, markets swung between optimism and uncertainty throughout the month. Early hopes for a swift resolution to the conflict in the Middle East—spurred by a ceasefire in Iran and Lebanon and the start of US-Iran negotiations—initially gave the market confidence to price in a swift resolution
- Rates moved lower as fears of inflation and rate hikes started to dissipate
- Emerging markets (EM) debt delivered healthy, positive returns this month, with sentiment clearly risk-on

HIGH YIELD AND LEVERAGED LOAN TECHNICALS

US Retail Fund Flows

US\$5.2 billion in high yield inflows, US\$1.3 billion in leveraged loan retail inflows MTD (through 04.30)

HY New Issuance*		EUROPE		Main Market Driver	
YTD	US\$124.8 bn	US\$37.1 bn		Macro: Strong earnings growth and hopes of de-escalation of war	
MTD	US\$44.0 bn	US\$14.2 bn		Micro: Stronger technicals	
Loan New Issuance*		US		Default Rates (Dollar weighted)**	
YTD	US\$251.6 bn			US	EUR
MTD	US\$27.8 bn			1.7%	7.1%

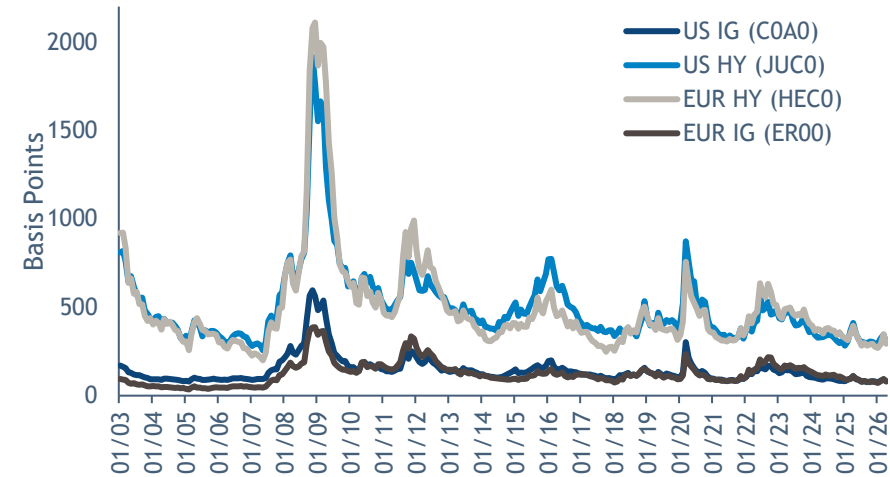
US New Issuance Names (500 mn and above) MTD

Sealed Air, Univision, Chobani, Coreweave, Caturus Energy, Transdigm Inc., NRG Energy Inc., Lifepoing Health, PLS Group, Herbalife, Sotheby's, KEHE Distribution, Canpack Group, Meridian Arc, Venture Global Calcasieu, Mineral Resources, Enquest, Edged Compute, Core Scientific, AIT Worldwide, Vistajet Malta, Firstcash Inc., Oxford Fin, PR RNO (Tract), A&K Travel Group, SE Cosmos

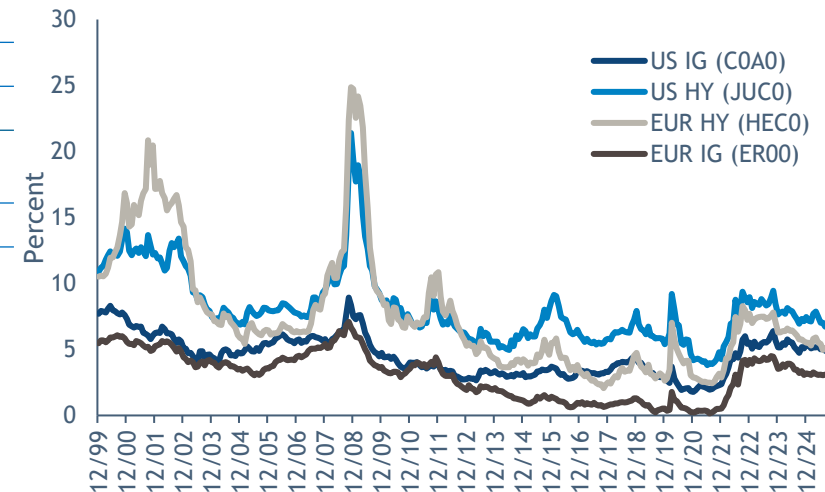
US New Issuance Pipeline (Announced)

PODS, LLC

CORPORATE BOND SPREADS (STW) BY INDEX



CORPORATE BOND YIELDS (YTW) BY INDEX



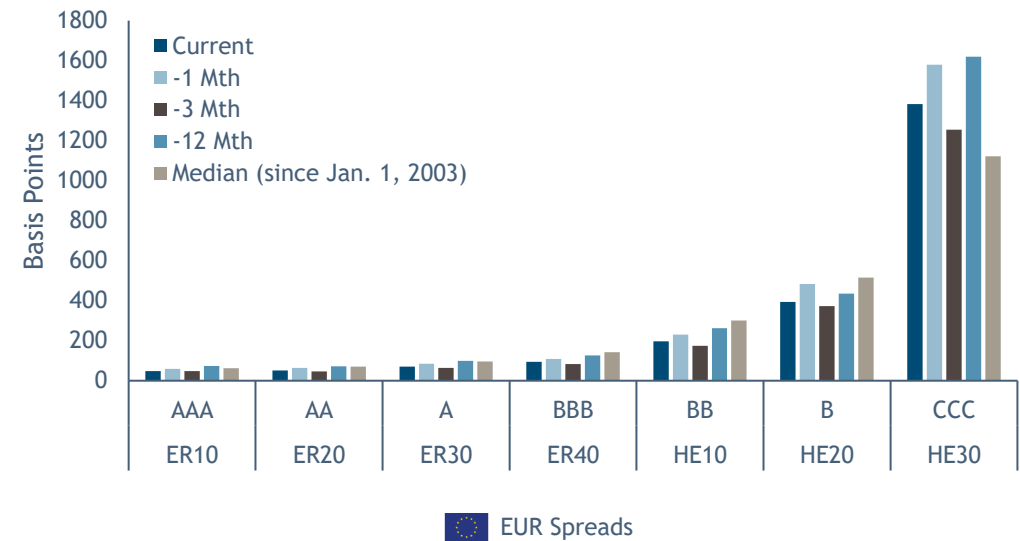
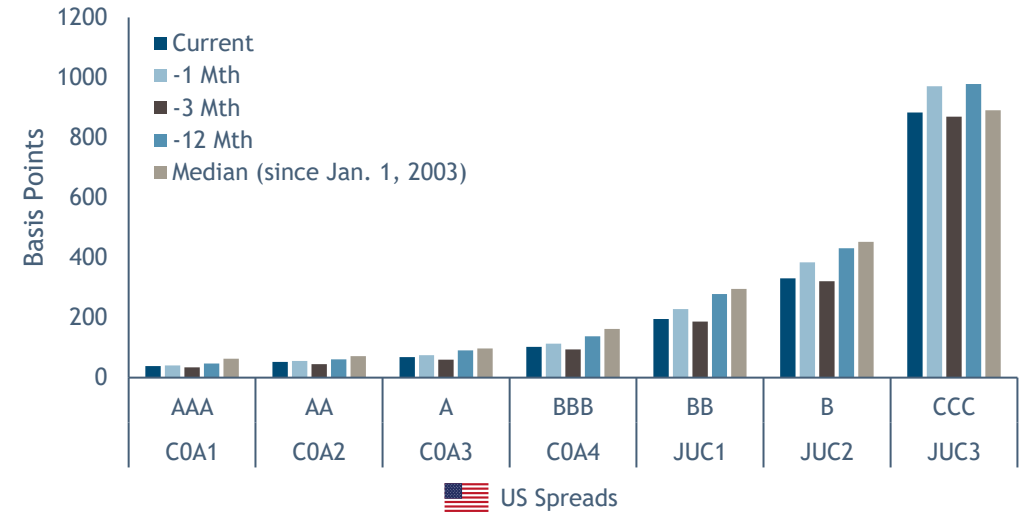
Note: Reference to the names of each company mentioned in this communication is merely for explaining the investment strategy and should not be construed as investment advice or investment recommendation of those companies.

Muzinich views and opinions are for illustrative purposes only and not to be construed as investment advice. Unless stated all data figures are sourced from Bloomberg as of April 30th, 2026. Full information on indices is provided on page 5. *JP Morgan; European figures include non-Euro issues of European companies. **Moody's Default Report as of March 31st, 2026. Most recent data available used.

CORPORATE BOND SPREADS (STW) - APRIL 30, 2026

	Index	Rating	Current STW	-1 Mth	-3 Mth	-12 Mth	Median (since Jan. 1, 2003)
US	COA0	IG	82	90	74	110	127
	JUC0	HY	298	344	295	411	434
	JUC4	BB/B	242	282	234	338	369
	COA1	AAA	39	41	34	47	63
	COA2	AA	52	56	45	61	72
	COA3	A	68	75	60	91	97
	COA4	BBB	103	113	94	138	162
	JUC1	BB	195	228	187	278	296
	JUC2	B	331	384	321	431	452
	JUC3	CCC	883	971	869	978	891
EM	EMCL	All	162	192	156	221	294
EUR	ER00	IG	80	95	72	111	114
	HEC0	HY	293	348	270	394	413
	ER10	AAA	48	59	48	73	62
	ER20	AA	51	64	47	72	70
	ER30	A	71	85	64	100	96
	ER40	BBB	94	109	84	126	142
	HE10	BB	197	231	174	263	301
	HE20	B	393	484	373	436	516
	HE30	CCC	1382	1580	1255	1619	1122

CORPORATE BOND SPREADS (STW)



MARKET PERFORMANCE % AND STATISTICS - APRIL 30, 2026

		Performance Summary (%)				Characteristics			Performance History (% annualised)				
High Yield		MTD	Pr. Mth	QTD	YTD	DTW (yrs)	YTW (%)	STW (bps)	1 Year	2 Year	3 Year	4 Year	5 Year
JUC0	US HY	1.69	-1.19	1.69	1.15	3.14	6.98	298	8.74	8.68	8.73	6.78	4.32
JC4N	US HY BB-B	1.53	-1.14	1.53	1.34	3.20	6.37	237	8.88	8.22	8.12	6.43	4.05
HEC0	Euro HY	1.94	-2.71	1.94	0.19	3.07	5.64	293	4.37	6.12	7.50	5.25	2.78
HEC5	Euro HY BB-B	1.89	-2.71	1.89	0.18	3.08	5.17	246	4.81	6.22	7.50	5.36	2.86
Investment Grade													
COA0	US IG	0.56	-2.02	0.56	0.14	6.46	5.13	82	5.47	6.60	4.84	3.77	0.82
C4NF	US BBB Corporates	0.68	-2.11	0.68	0.26	6.57	5.32	98	6.09	6.91	5.26	4.22	0.99
ER00	Europe IG	0.94	-2.27	0.94	-0.02	4.45	3.59	80	1.92	4.06	4.42	2.13	-0.02
EN40	Europe BBB	0.98	-2.40	0.98	-0.04	4.42	3.69	90	2.08	4.30	4.67	2.31	-0.08
Governments (7-10 Year Indices)													
G4O2	US Treasuries 7-10 Yrs	-0.11	-2.33	-0.11	-0.20	6.98	4.31	1	2.88	5.95	2.06	1.35	-0.74
G4L0	UK Gilts 7-10 Yrs	-0.26	-4.07	-0.26	-1.97	7.19	4.92	0	0.81	2.75	1.63	-1.41	-2.48
G4D0	German Fed Govt 7-10 Yrs	0.16	-2.69	0.16	-0.37	7.43	2.96	0	-1.43	1.41	1.03	-1.52	-3.02
Equities													
S&P	S&P 500 incl. Dividends	10.49	-4.98	10.49	5.69				31.02	21.17	21.66	16.60	13.12
DAX	DAX Index	7.11	-10.30	7.11	-0.81				7.98	16.39	15.12	14.57	9.92
Syndicated Loans													
							YTM (%)	3Y DM (bps)					
US	US Leveraged Loan Index	1.18	0.48	1.18	0.61		8.39	490	5.71	5.77	7.78	6.62	5.84
Europe	European Leveraged Loan Index	1.57	-0.03	1.57	0.71		7.70	507	4.45	5.27	7.07	5.74	5.00

Past performance is not a reliable indicator of current or future performance.

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CREDIT MARKET UPDATE

US:

US credit delivered positive returns across the board in April, with spread tightening as the primary driver of performance. While markets reversed many of the worst-case scenarios priced in during March, markets swung between optimism and uncertainty throughout the month. Early hopes for a swift resolution to the conflict in the Middle East—spurred by a ceasefire in Iran and Lebanon and the start of US-Iran negotiations—initially gave the market confidence to price in a swift resolution. Equities rallied and rates moved lower as fears of inflation and rate hikes started to dissipate. However, challenges began to mount; the Strait of Hormuz remained closed, the US initiated a naval blockade, and negotiations ultimately collapsed by month-end. Oil reversed its drop in price from early in the month and rose sharply. Interest rates followed a similar path—falling early on resolution hopes before rising as those hopes faded. The Federal Reserve held rates steady, communicating patience despite growing disagreement within the Federal Open Market Committee.

Europe:

European credit markets delivered positive returns across the board in April, with spread tightening as the primary driver of performance. Many of the US market themes also apply to Europe. Please refer to the US paragraph above for further information.

EM:

Emerging markets (EM) debt delivered positive returns across the board in April, as markets reversed many of the worst-case scenarios priced in during March. Within EM, sentiment was clearly risk-on. Sovereigns slightly outperformed corporates on greater frontier market exposure, with Ukraine, Sri Lanka, and Ecuador in the lead. In terms of credit quality, lower-rated segments outperformed—single-Bs led in high yield, BBBs in investment grade—and spread compression was sharpest at the front end, making short-duration the strongest performer. Regionally, Europe, Middle East, and Africa (EMEA) topped high yield, driven by the Middle Eastern homebuilders and African energy, while Latin America led investment-grade returns on long-duration Mexican corporates. Real estate and basic industry saw the sharpest mean reversion; defensives like financials lagged, though spreads tightened across all sectors.

Outlook:

With major central banks not due to make their next policy announcements until June, geopolitics and shifting signals from the US administration are likely to be the dominant market drivers in the month ahead. During this time, we see markets maintaining a fine balance between resilient fundamentals and a more uncertain macro backdrop. Energy markets are a key swing factor: with the Strait of Hormuz still closed, oil and gas prices are likely to stay elevated, increasing the risk of supply shortages and persistent inflation. While the US consumer has so far absorbed higher energy costs, supported by domestic energy self-sufficiency, risks of volatility could increase if the conflict persists and inventories decline further. At month-end, credit markets appear to be showing little evidence of pricing in downside scenarios. Spreads have retraced to tight levels, despite early signs of macro-softening and regional divergence. Against this backdrop, we continue to favor short-duration credit where yields remain attractive in our view, while selectively adding higher-quality high yield where we believe fundamentals justify the spread. We believe that investors' demand for income should continue to support credit.

Important Information

The following indices referenced in the snapshot are ICE BofA indices:

JUC0 - ICE BofA US Cash Pay High Yield Constrained Index
JUC1 - ICE BofA BB US Cash Pay High Yield Constrained Index;
JUC2 - ICE BofA Single-B US Cash Pay High Yield Constrained Index;
JUC3 - ICE BofA CCC and Lower US Cash Pay High Yield Constrained Index;
JUC4 - ICE BofA BB-B US Cash Pay High Yield Constrained Index;
JC4N - ICE BofA BB-B US Non-Financial Cash Pay High Yield Constrained Index;
HEC0 - ICE BofA Euro High Yield Constrained Index;
HE10 - ICE BofA BB Euro High Yield Index;
HE20 - ICE BofA Single-B Euro High Yield Index;
HE30 - ICE BofA CCC & Lower Euro High Yield Index;
HEC5 - ICE BofA BB-B Euro Non-Financial High Yield Constrained Index;
COA0 - ICE BofA US Corporate Index;
COA1 - ICE BofA AAA US Corporate Index;
COA2 - ICE BofA AA US Corporate Index;
COA3 - ICE BofA Single-A US Corporate Index;
COA4 - ICE BofA BBB US Corporate Index;
C4NF - ICE BofA BBB US Non-Financial Corporate Index;
ER00 - ICE BofA Euro Corporate Index;
ER10 - ICE BofA AAA Euro Corporate Index;
ER20 - ICE BofA AA Euro Corporate Index;
ER30 - ICE BofA Single-A Euro Corporate Index;
ER40 - ICE BofA BBB Euro Corporate Index;
EN40 - ICE BofA BBB Euro Non-Financial Index;
G4O2 - ICE BofA 7-10 Year US Treasury Index
G4L0 - ICE BofA 7-10 Year UK Gilt Index
G4D0 - ICE BofA 7-10 Year German Government Index;
EMCL - ICE BofA US Emerging Markets Liquid Corporate Plus Index.

S&P 500 - The Standard & Poor's 500 Index (S&P 500) is an index of 500 stocks seen as a leading indicator of U.S. equities and a reflection of the performance of the large cap universe, made up of companies selected by economists.

DAX - The German Stock Index is a total return index of 30 selected German blue chip stocks traded on the Frankfurt Stock Exchange. The equities use free float shares in the index calculation.

Bloomberg US Leveraged Loan Index - The Bloomberg US Leveraged Loan Index measures the performance of USD denominated, high-yield, floating-rate, institutional leveraged loan market. The US Loan Index was created in 2024, with history backfilled to January 1, 2019.

Bloomberg European Leveraged Loan Index - The Bloomberg European Leveraged Loan Index measures the performance of the EUR- and GBP- denominated, high-yield, floating-rate, institutional leveraged loan market. The index was created in 2025, with history backfilled to January 1, 2019.

All performance, duration, yield and spread data downloaded from Bloomberg. Markit iBoxx USD Leveraged Loan (IBOXLTRI), S&P 500 incl. Dividends, and DAX figures from Bloomberg. You cannot invest directly into an index.

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