



Corporate Spreads Unchanged

- Spreads were essentially unchanged for the week with the outperformers 1-2 basis points (bps) tighter and the underperformers a couple basis points wider. We saw profit taking in some names like DowDupont and Anheuser-Busch InBev, but the telecomms outperform after Verizon announced a tender for a number of their longer bonds, mostly 15 bps through the current trading levels.
- Qualcomm reached a settlement with Apple on their patent dispute, removing a big overhang on the credit and driving spreads 20-30 bps tighter.
- Bank earnings were generally better than expected with few surprises. Bank of America, Citigroup and JPMorgan all brought bond deals post-earnings, leaving Wells Fargo, Morgan Stanley and Goldman Sachs as the holdouts among the money center banks.

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Source: Bloomberg

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