

Trust
must be earned

Amundi
ASSET MANAGEMENT

Primary Market Views €

May 2024

In a nutshell

- **Spreads have tightened in recent weeks after widening from mid-March to mid-April.** Risky assets remain sensitive to (1) the economic outlook and (2) expectations of central bank rate cuts. US inflation, more stubborn than expected, was a source of volatility and forced investors to reconsider their expectations regarding rate cuts from the US Federal Reserve: only 1 to 2 rate cuts are expected this year.
- **The EU economy grew 0.3% q/q in Q1-24, beating consensus expectations of 0.1%.** The European economy finds itself in a different context from that of the United States. Inflation now appears to be more or less under control. Indeed core inflation, that is to say adjusted for volatile energy and food prices, slowed from 2.9% to 2.7% in April, after reaching a peak at 5.7% in March 2023.
- **The ECB is moving towards a rate cut in June, barring any bad surprises on inflation.** Christine Lagarde indeed indicated that “it would be appropriate to reduce the current restrictive nature of monetary policy” if the decline in inflation towards the 2% target was confirmed. Furthermore, beyond this likely first rate cut, the market could wonder to what extent the ECB could carry out cuts independently of the Fed.
- **Activity on the primary market remains robust despite rate volatility.**



ROUGERON Sandrine

Global Head of Corporate Clients and Corporate Pension Funds

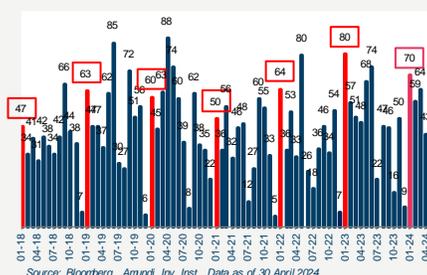


AINOUZ Valentine, CFA

Head of Global Fixed Income Strategy, Amundi Investment Institute

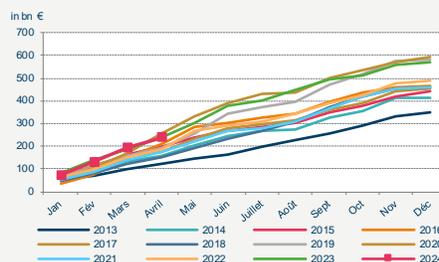
Primary market Investment Grade

Euro IG primary market Monthly issuance (in €bn)



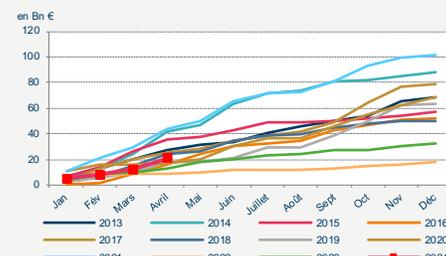
Source: Bloomberg, Amundi Inv. Inst., Data as of 30 April 2024

Euro IG primary market Cumulative flows (in €bn)



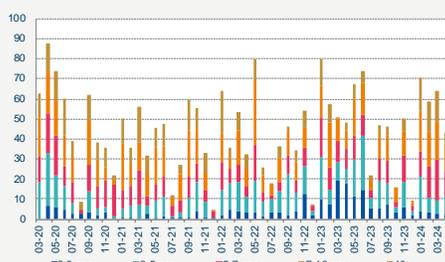
Source: Bloomberg, Amundi Inv. Institute, Data as of 30 April 2024

Euro HY primary market Cumulative monthly issuance (in €bn)



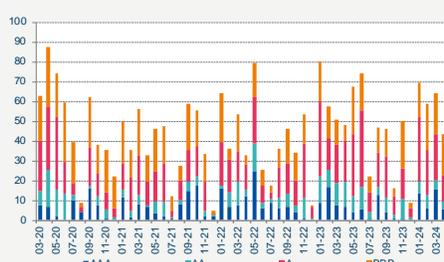
Source: Bloomberg, Amundi Inv. Institute, Data as of 30 April 2024

Euro IG primary market Monthly volume by maturity (in €bn)



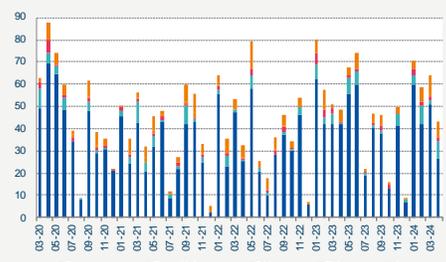
Source: Bloomberg, Amundi Inv. Institute, Data as of 30 April 2024

Euro IG primary market Monthly volume by rating (in €bn)



Source: Bloomberg, Amundi Inv. Institute, Data as of 30 April 2024

Euro IG primary market Monthly volume by country (in €bn)



Source: Bloomberg, Amundi Inv. Institute, Data as of 30 April 2024

Past performance is no guarantee of future yield. An investment might appreciate or depreciate depending on market fluctuations.

Market data

Euro IG A: OAS (in bp)



Source: Bloomberg, Amundi Investment Institute

Euro IG A: yield (in%)



Source: Bloomberg, Amundi Investment Institute

Euro IG BBB: OAS (in bp)



Source: Bloomberg, Amundi Investment Institute

Euro IG BBB: yield (in%)



Source: Bloomberg, Amundi Investment Institute

Past performance is no guarantee of future yield. An investment might appreciate or depreciate depending on market fluctuations.

IMPORTANT INFORMATION - Unless otherwise stated, all information contained in this document is from Amundi Asset Management S.A.S. and is as of May 2024. Diversification does not guarantee a profit or protect against a loss. The views expressed regarding market and economic trends are those of the author and not necessarily Amundi Asset Management S.A.S. and are subject to change at any time based on market and other conditions, and there can be no assurance that countries, markets or sectors will perform as expected.

These views should not be relied upon as investment advice, a security recommendation, or as an indication of trading for any Amundi product. This material does not constitute an offer or solicitation to buy or sell any security, fund units or services. Investment involves risks, including market, political, liquidity and currency risks. Past performance is not a guarantee or indicative of future results. Date of first use: May 15, 2024