

Primary Market Views €

September 2024

Trust must be earned

In a nutshell

Credit markets remain well oriented. Spreads have retraced a large part of the widening observed during the possible peak in early August. Let us also note: activity in the primary corporate debt market remained solid, particularly in the “Investment Grade” segment.

The pace of GDP growth in the euro zone weakened again in Q2 2024 (+0.2%). High interest rate levels continue to weigh on economic activity, particularly on demand for credit from businesses.

Good news on the inflation side! Inflation has generally fallen with the fall in energy prices, the end of major disruptions in production chains and the impact of monetary tightening. Annual inflation was 2.2% in July, compared to 2.6% in June. The labor market is less and less a source of inflation. Negotiated wage growth in the euro area slowed in the second quarter, to 3.6%, compared to 4.7% in the previous quarter. Additionally, the ECB's Lane expects wage growth to moderate significantly next year.

For the reasons mentioned above, we continue to anticipate three additional rate cuts from the ECB by the end of the year.



Sandrine ROUGERON

Global Head of Corporate Clients and Corporate Pension Funds

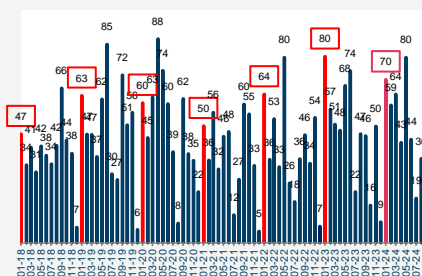


Valentine AINOZ

CFA - Head of Global Fixed Income Strategy, Amundi Investment Institute

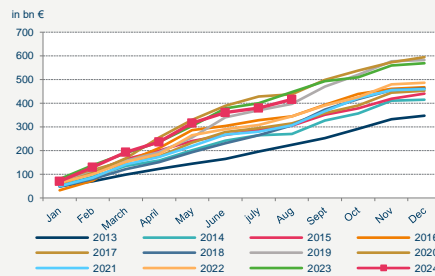
Primary market Investment Grade

Euro IG primary market Monthly issuance (in €bn)



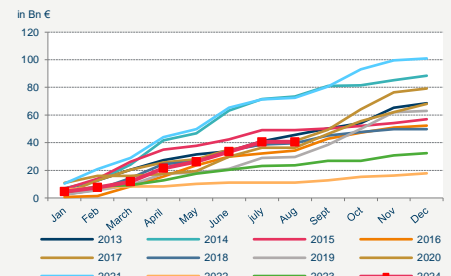
Source: Bloomberg, Amundi Inv. Inst., Data as of 31 August 2024

Euro IG primary market Cumulative flows (in €bn)



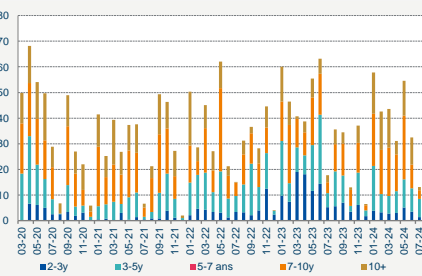
Source: Bloomberg, Amundi Inv. Institute, Data as of 31 August 2024

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



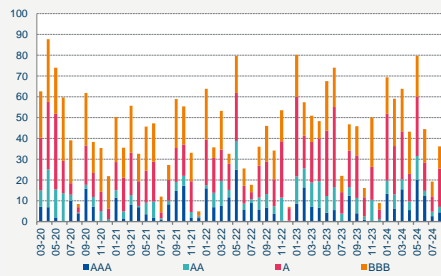
Source: Bloomberg, Amundi Inv. Institute, Data as of 31 August 2024

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



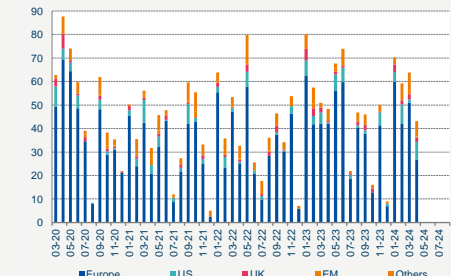
Source: Bloomberg, Amundi Inv. Institute, Data as of 31 August 2024

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



Source: Bloomberg, Amundi Inv. Institute, Data as of 31 August 2024

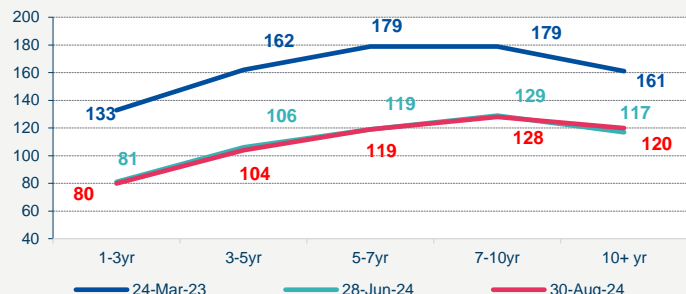
Euro IG primary market Monthly volume by country (in €bn)



Source: Bloomberg, Amundi Inv. Institute, Data as of 31 August 2024

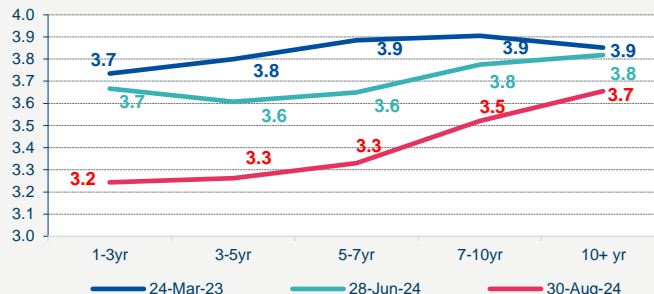
Market data

Euro IG A: OAS (in bp)



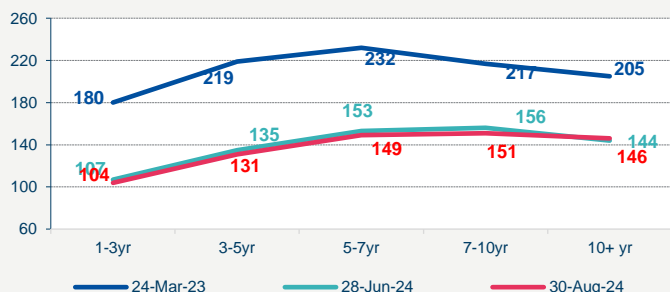
Source: Bloomberg, Amundi Investment Institute

Euro IG A: yield (in%)



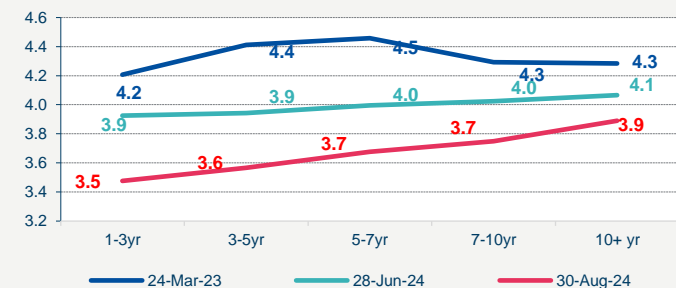
Source: Bloomberg, Amundi Investment Institute

Euro IG BBB: OAS (in bp)



Source: Bloomberg, Amundi Investment Institute

Euro IG BBB: yield (in%)



Source: Bloomberg, Amundi Investment Institute

IMPORTANT INFORMATION

Unless otherwise stated, all information contained in this document is from Amundi Asset Management S.A.S. and is as of September 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: **September 2024**

Doc ID : 3853855

Amundi Asset Management - Amundi AM, French "société par actions simplifiée". SAS with share capital of Euro 1 143 615 555. Siren: 437 574 452 RCS Paris. Siret: 43757445200029. Code APE: 6630 Z. VAT Identification No.: FR58437574452 Portfolio Management Company approved by the AMF under number GP 04000036.