

Primary Market Views €

January 2025

Trust must be earned

In a nutshell

Credit markets are entering 2025 in a good position.

Credit markets have recorded a positive performance since the start of the year. Spreads have continued to tighten.

Flows into Investment Grade continue uninterrupted in 2025. Once again, short-term IG funds had recorded the lion's share of inflows vs. marginal inflows into long-term IG funds.

The global environment remains positive for credit market. We expect economic activity to remain resilient and inflation to continue to decline. We forecast real GDP growth in euro area at 0.8% in 2025 and inflation to decline to targets in the coming quarters. In this context, the ECB is expected to continue its rate cutting cycle in 2025.

Following the strong performance of 2024, the potential for further spread tightening in Investment Grade and High Yield is more limited. We expect investors to play the carry. Yields are back on long term trends.



Sandrine ROUGERON

Global Head of Corporate Clients and Corporate Pension Funds

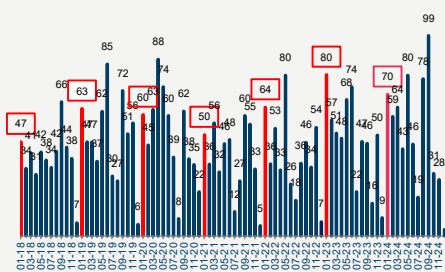


Valentine AINOZ

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

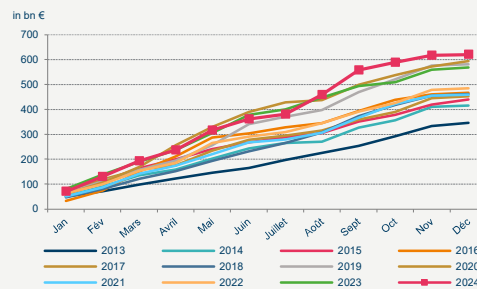
Primary market Investment Grade

Euro IG primary market Monthly issuance (in €bn)



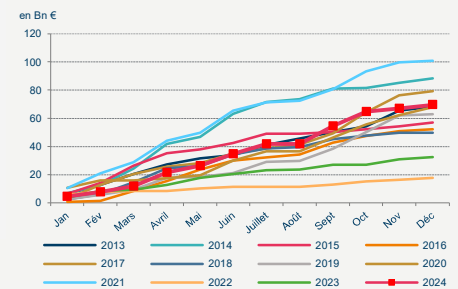
Source: Bloomberg, Amundi Inv. Inst., Data as of 31 December 2024

Euro IG primary market Cumulative flows (in €bn)



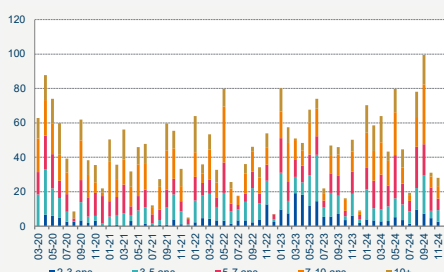
Source: Bloomberg, Amundi Inv. Institute, Data as of 31 December 2024

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



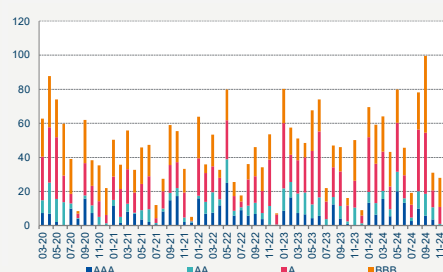
Source: Bloomberg, Amundi Inv. Institute, Data as of 31 December 2024

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



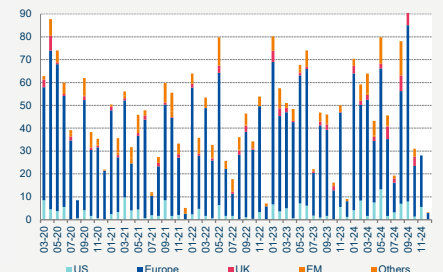
Source: Bloomberg, Amundi Inv. Institute, Data as of 31 December 2024

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



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

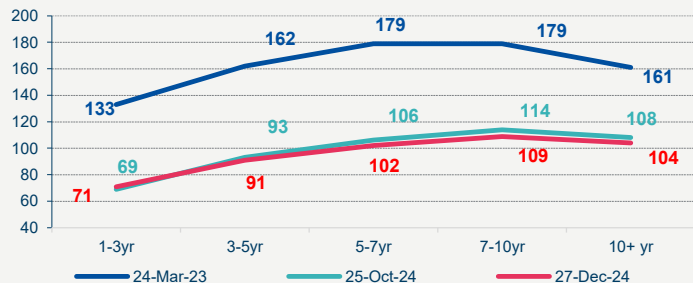
Euro IG primary market Monthly volume by country (in €bn)



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

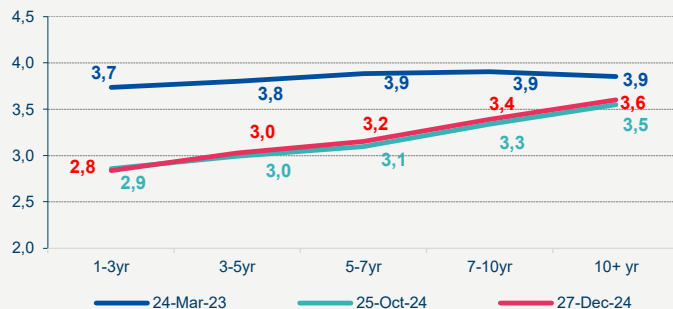
Market data

Euro IG A: OAS (in bp)



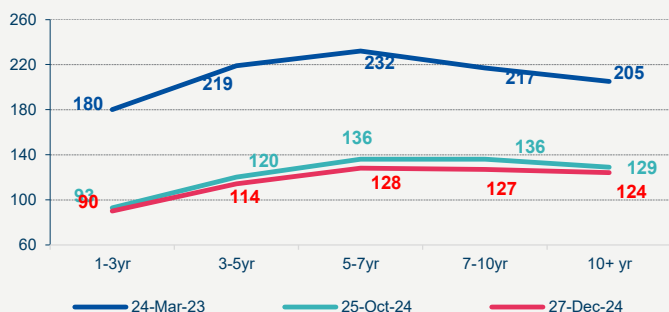
Source: Bloomberg, Amundi Investment Institute

Euro IG A: yield (in%)



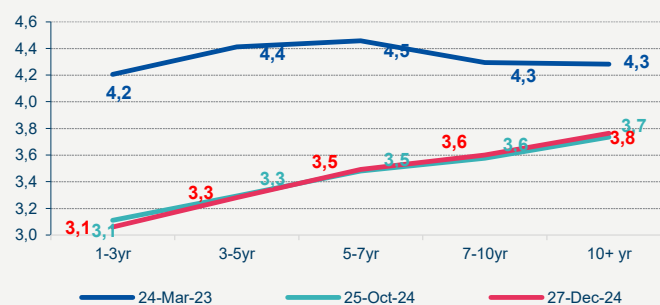
Source: Bloomberg, Amundi Investment Institute

Euro IG BBB: OAS (in bp)



Source: Bloomberg, Amundi Investment Institute

Euro IG BBB: yield (in%)



Source: Bloomberg, Amundi Investment Institute

IMPORTANT INFORMATION

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