



4 May 2017

FIXED INCOME MONTHLY
INVESTMENT BANKING

Table of Contents:

APRIL MARKET UPDATE 1
VOLUMES, LIQUIDITY & SPREADS 2
MONTHLY ISSUANCE 3

Investment Banking Contacts:

New York Office 646.979.1169
Coral Gables Office 305.374.3600

William Robertson
Senior Vice President
Head of Syndicate
wrobertson@guzman.com

Greg Brown
Senior Vice President
Debt Capital Markets
gbrown@guzman.com

Ruslan Magdeev
Managing Director
rmagdeev@guzman.com

Ethan Creo
Associate
ecreo@guzman.com

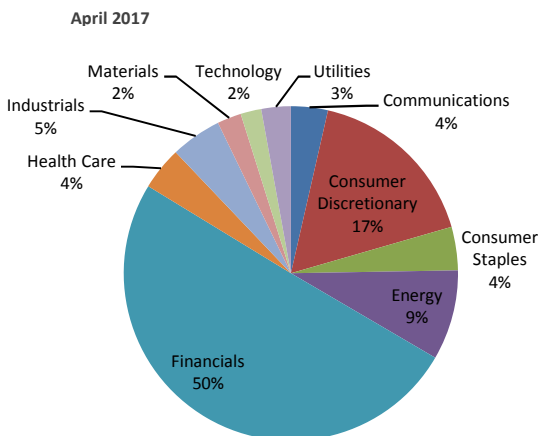
FIXED INCOME MARKET UPDATE: April 2017

KEY TAKEAWAY:

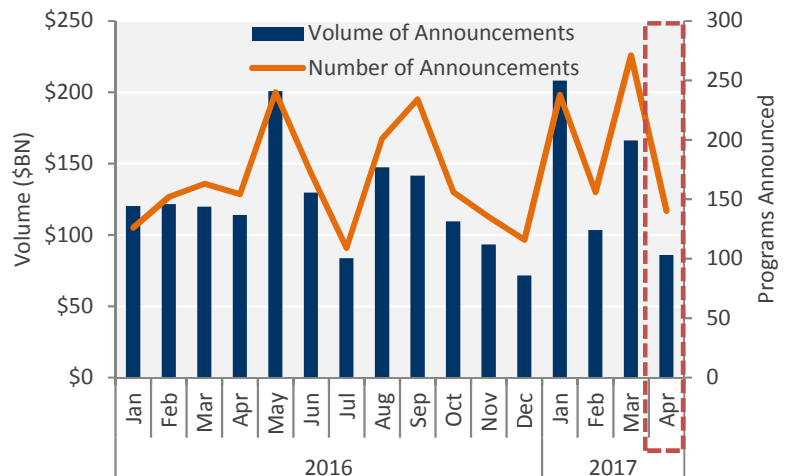
The new quarter began with a continuation of the “risk on” sentiment that has been with us since the start of the year. Early in the month concerns about the French elections and an increasingly uncomfortable short base drove 10 year Treasuries to YTD lows of 2.16%. As the first part of the election came and went as expected and focus returned to the ongoing events in Washington around healthcare and tax reform, benchmarks retreated to their recent trading ranges. Equities continued to surprise on the upside, approaching YTD highs for both the Dow & S&P and a new all-time high for the NASDAQ.

- Earnings releases sidelined many issuers, with April IG volume coming in at just over \$105BN, the lowest of the year. Credit spreads overall remained largely unchanged and are likely now range bound over the balance of the year, having tightened 17 bps since the U.S. election. New-issue concessions remain in the low single digits in the face of huge investor demand for credit. FRN issuance has picked up considerably with 3 month LIBOR trading above 1% and with a noticeably longer tenor, as 5 year issues are now more broadly sought after.
- With earnings blackouts behind us, issuance is expected to pick up in May, seasonally a very active month for the new-issue market. Q1 inflows to bond funds exceeded \$47BN, the most in 4 years for actively managed bond funds. This potential demand source, coupled with a range bound Treasury market and a strong global appetite for \$USD based assets, all suggest a very positive backdrop for corporate credit going forward.

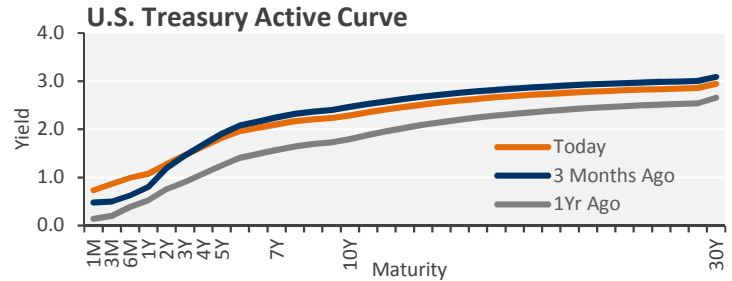
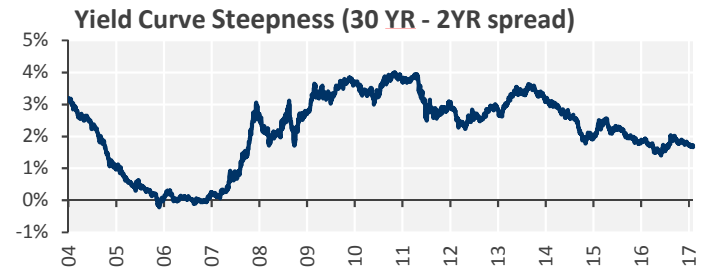
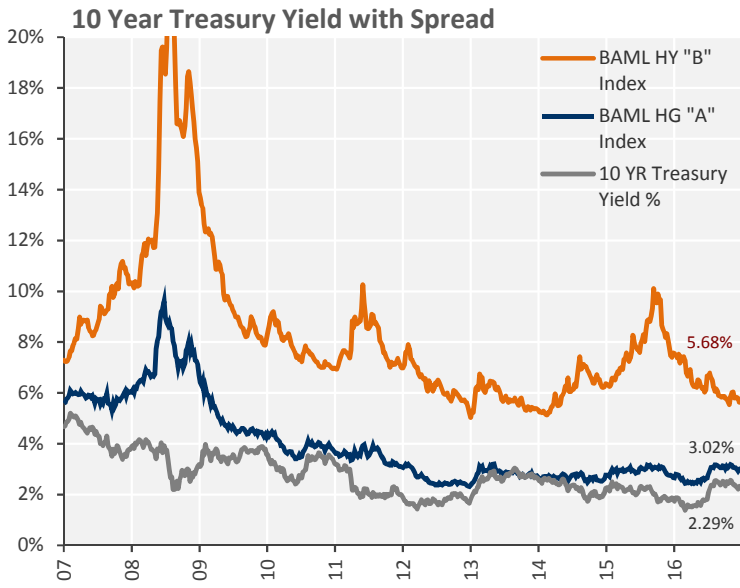
Volume of Announced Programs



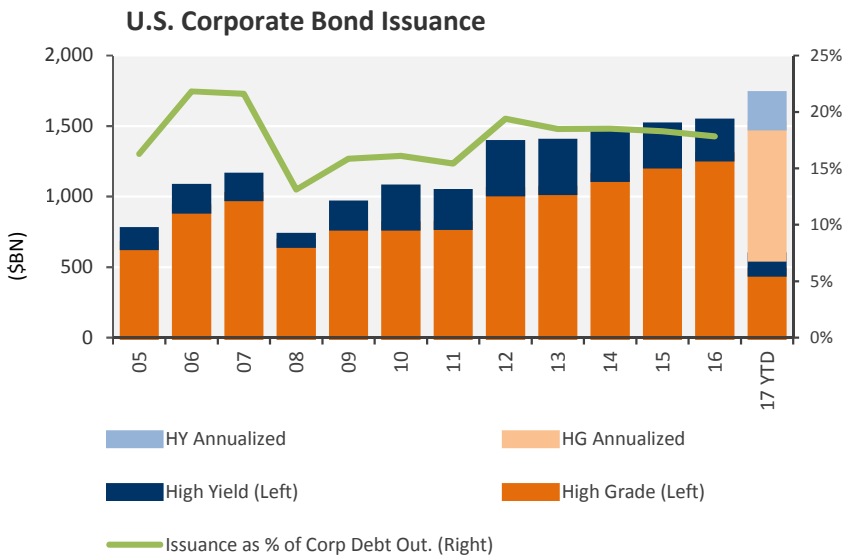
Number and Volume of Announcements



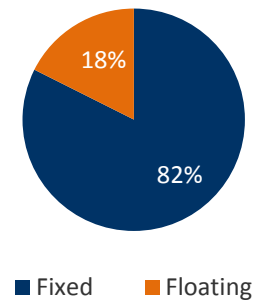
YIELDS & SPREADS



U.S. CORPORATE BOND ISSUANCE



Fixed vs Floating Issuance 2017 YTD



APRIL 2017 ANNOUNCEMENTS (>\$1BN)

Issuer	Coupon	Maturity	Size	Dated	Spread	Yield	Ratings
JPMorgan Chase & Co	3.54	5/1/2028	2,500	04/17	128	3.5	A3 / A-
Citigroup Inc	2.75	4/25/2022	2,250	04/17	97	2.8	Baa1 / BBB+
Bank of America Corp	3.705	4/24/2028	2,000	04/17	139	3.6	Baa1 / BBB+
Bank of America Corp	4.244	4/24/2038	2,000	04/17	129	4.2	Baa1 / BBB+
American Express Credit Corp	3.30	5/3/2027	2,000	04/17	101	3.3	A2 / A-
Morgan Stanley	2.373	5/8/2024	1,750	04/17	117	2.3	A3 / BBB+
JPMorgan Chase & Co	2.776	4/25/2023	1,500	04/17	93	2.7	A3 / A-
Bank of America Corp	2.153	4/24/2023	1,500	04/17	95	2.1	Baa1 / BBB+
Lowe's Cos Inc	4.05	5/3/2047	1,500	04/17	109	4.1	A3 / A-
Lowe's Cos Inc	3.10	5/3/2027	1,500	04/17	79	3.1	A3 / A-
Kaiser Foundation Hospitals	4.15	5/1/2047	1,500	04/17	117	4.1	A+e
American Express Credit Corp	1.875	5/3/2019	1,500	04/17	52	1.8	A2 / A-
US Bancorp	3.15	4/27/2027	1,300	04/17	84	3.2	A1 / A+
General Motors Financial Co Inc	3.95	4/13/2024	1,250	04/17	176	3.9	Baa3 / BBB
JPMorgan Chase & Co	2.056	4/25/2023	1,250	04/17	83	2.0	A3 / A-
Citigroup Inc	2.116	4/25/2022	1,250	04/17	93	2.1	Baa1 / BBB+
Bank of America Corp	2.881	4/24/2023	1,250	04/17	106	2.8	Baa1 / BBB+
NextEra Energy Capital Holdings Inc	3.55	5/1/2027	1,250	04/17	115	3.5	Baa1 / BBB+
El du Pont de Nemours & Co	2.20	5/1/2020	1,250	04/17	61	2.1	A3
Toyota Motor Credit Corp	1.95	4/17/2020	1,100	04/17	46	1.9	Aa3 / AA-
General Motors Financial Co Inc	2.65	4/13/2020	1,000	04/17	105	2.5	Baa3 / BBB
Citigroup Inc	4.281	4/24/2048	1,000	04/17	142	4.4	Baa1 / BBB+
BellSouth LLC	4.285	4/26/2018	1,000	04/17	58	1.9	WR / BBB+

DISCLAIMER

For Institutional Use Only.

Information in this document may not be communicated, reproduced, distributed, or disclosed to any unauthorized person. The material contained herein has not been based on a consideration of any individual circumstances and as such should not be considered to be a personal recommendation. Unless otherwise indicated, any opinions expressed herein are the views of the authors as of the date hereof and may differ or conflict with those of other Guzman & Company personnel. Guzman undertakes no obligation to update information in this publication. Without limiting any of the foregoing and to the extent permitted by law, Guzman accepts no liability whatsoever for any consequential losses arising from the use of this document or reliance on the information contained herein. Guzman & Company and others associated with it may currently or in the future enter into proprietary positions (long or short) and effect transactions in securities of companies mentioned herein and may also perform or seek to perform investment banking, brokerage or other services for those companies. We may at any time modify or liquidate all or a portion of such positions and we are under no obligation to contact you to disclose any modification or liquidation. Nothing herein shall be deemed to constitute investment, legal, tax, financial, accounting or other advice. No services offered may be misconstrued as to characterize Guzman & Company as a fiduciary or advisor.

This communication has been prepared by sales, trading, or other non-research personnel of Guzman & Company (“Guzman”). It is not a Research Report and the information contained herein is insufficient to form an investment opinion. The foregoing materials have been provided by Guzman to certain persons in their capacity as agent for the corporate entity. Information in this document may not be communicated, reproduced, distributed, or disclosed to any unauthorized person, or refer to it publicly. Any prices shown are indicative and Guzman & Company is not offering to buy or sell or soliciting offers to buy and sell any financial instrument. The material contained herein has not been based on a consideration of any individual circumstances and as such should not be considered to be a personal recommendation. Any securities discussed in this communication are subject to market risk and will fluctuate in value. These securities may be unsuitable for certain investors depending upon their specific investment objectives and financial position. Unless otherwise indicated, any opinions expressed herein are the views of the authors as of the date hereof and may differ or conflict with those of other Guzman & Company personnel. We undertake no obligation to update the opinions or the information in this publication. Other than disclosures relating to Guzman & Company, the information contained in this communication has been obtained from sources that Guzman & Company believes to be reliable, but Guzman & Company does not represent or warrant that it is accurate or complete. Guzman & Company makes no express warranties with respect to any data included in this communication, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use. Without limiting any of the foregoing and to the extent permitted by law, Guzman accepts no liability whatsoever for any consequential losses arising from the use of this document or reliance on the information contained herein. Unless stated otherwise, any performance data quoted represents past performance. Neither such data nor any modeling or back-testing contained herein is an indication as to future performance. No representation is made as to the reasonableness of any assumptions or as to the accuracy or completeness of any modeling, back-testing or other information.

Guzman & Company and others associated with it may currently or in the future enter into proprietary positions (long or short) and effect transactions in securities of companies mentioned herein and may also perform or seek to perform investment banking, brokerage or other services for those companies. We may at any time modify or liquidate all or a portion of such positions and we are under no obligation to contact you to disclose any modification or liquidation.

Nothing herein shall be deemed to constitute investment, legal, tax, financial, accounting or other advice. No services offered may be misconstrued as to characterize Guzman & Company as a fiduciary or advisor.