Capital Markets Strategy
Essential inCights for the C-Suite

MUFG

Chart of the Day

Since early January, we have been advising corporate clients to **move quickly when "pockets of stability" emerge in global markets**, whether to pre-fund 2023 financing obligations or to hedge currency and rate exposures. **The five corporates that moved quickly yesterday to issue $9.35 bn of investment grade bonds** with strong demand and **NEGATIVE new issue concessions** were one such example.

In fact, yesterday was only the second day since January to average NEGATIVE new issue concessions on new issue pricing. **Across five financings, NICs yesterday averaged (-1.17 bps), modestly negative, but a significant improvement on the 11 bps+ weekly average of recent weeks.**

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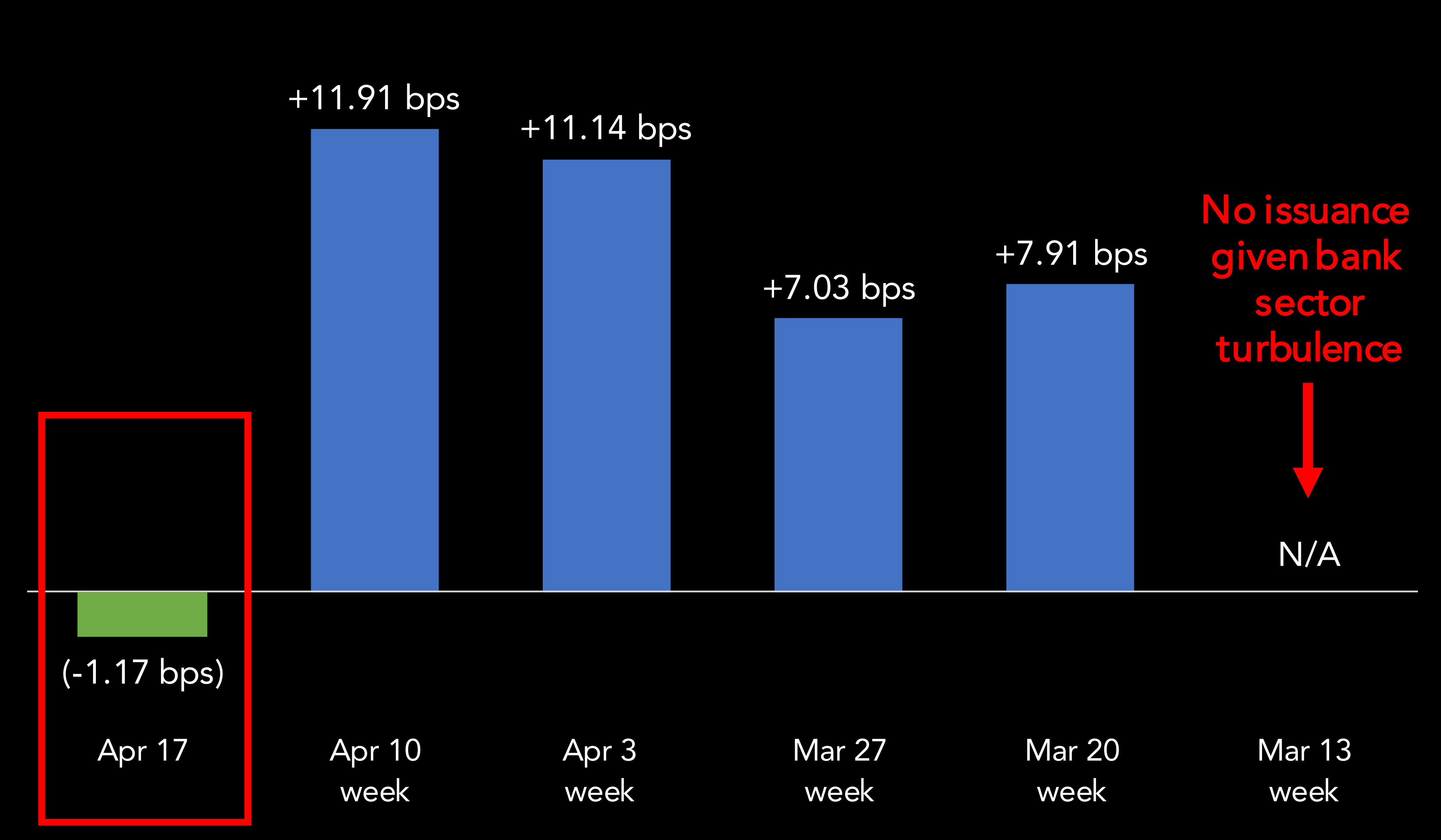
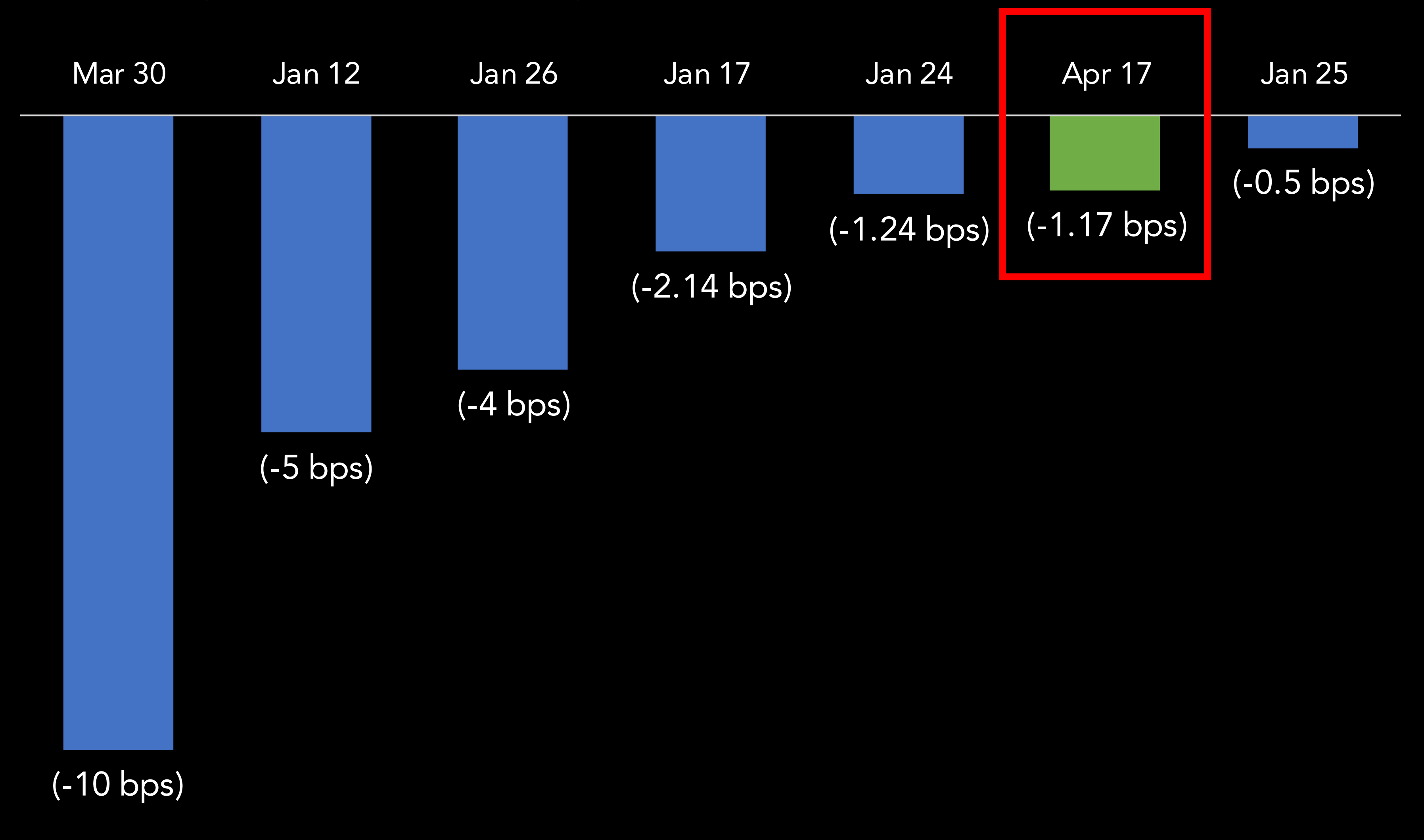
Avg new issue concessions over the last 6 weeks



There have only been seven NEGATIVE new issue concession days, on average, in 2023, nearly all in January.

NEGATIVE avg new issue concession days in 2023



Source: (1-2) Andrea Johnson, Credit Flow Research (April 17, 2023).

Global Corporate & Investment Banking
Capital Markets Strategy Team

Tom Joyce
Managing Director
Tom.Joyce@mufgsecurities.com
(212) 405-7472

Hailey Orr
Director
Hailey.Orr@mufgsecurities.com
(212) 405-7429

Stephanie Kendal
Associate
Stephanie.Kendal@mufgsecurities.com
(212) 405-7443

"Macro stability isn't everything, but without it, you have nothing."