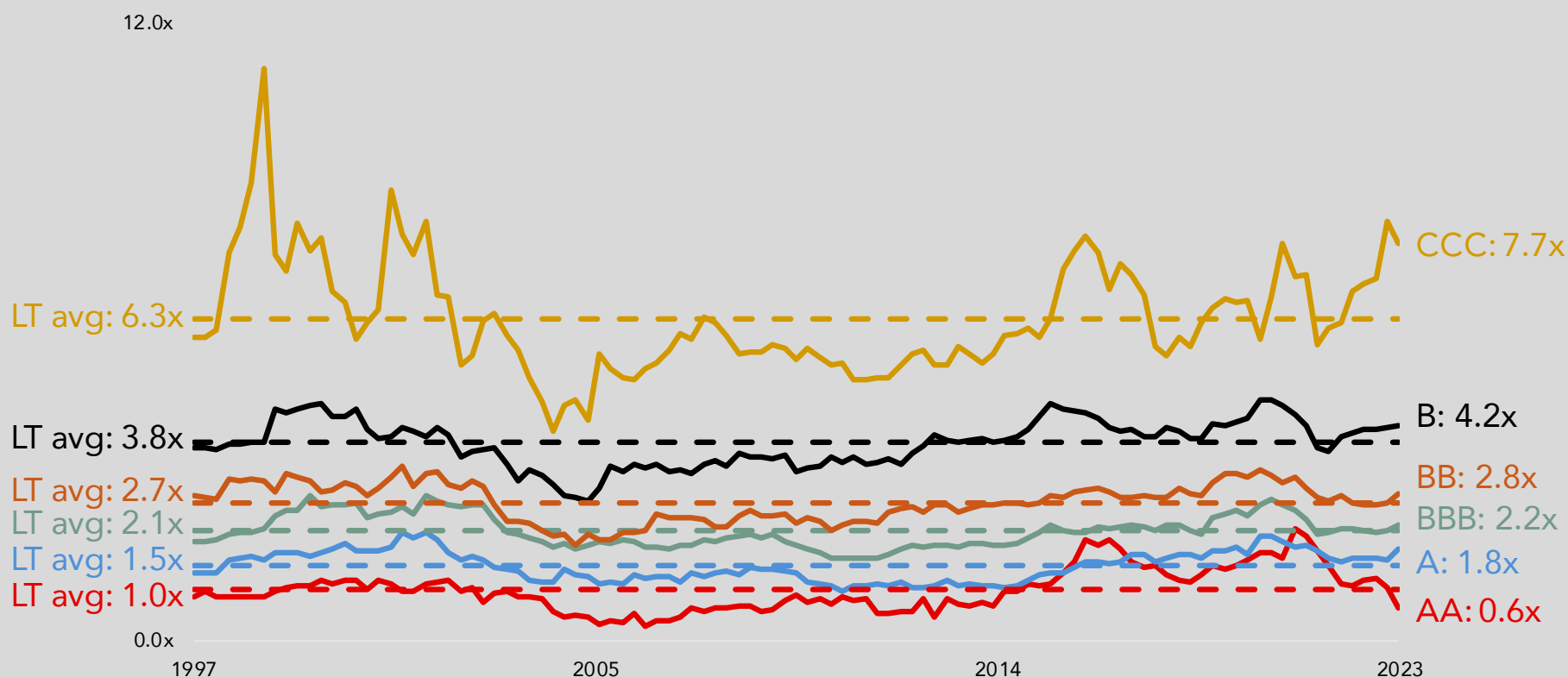


Chart of the Day

Corporate balance sheets in the multi-trillion USD bond markets have remained strong by historic standards, with variance by ratings category. Since Q2 2021, leverage has risen above LT averages for most ratings categories, though only modestly. At the low end, CCC leverage has diverged most sharply above LT averages, while in the strongest AA rating category, leverage has sharply declined as cash balances increased by 67%.

USD net leverage by rating



Source: (1) CreditSights, "US Strategy: IG Leverage Report 1Q23."

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