For Professional/Wholesale Clients/Investors & Qualified/Institutional/Accredited Investors only.

Muzinich & Co. Corporate Credit Snapshot | August 2026

KEY TAKEAWAYS

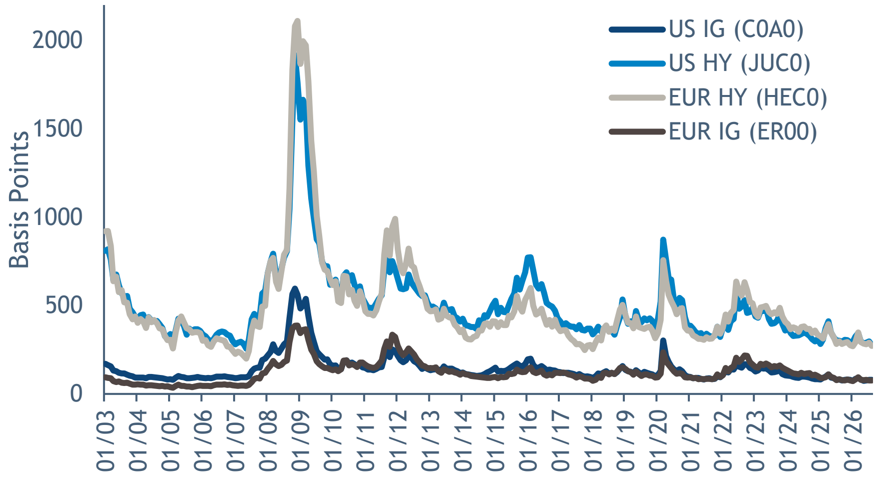
-Global credit delivered mostly positive returns in August. The month was somewhat choppy, shaped by the conflict in the Middle East, thin summer liquidity, and an ongoing earnings season

-Strong corporate earnings supported a tightening in credit spreads across the credit spectrum, with high yield delivering the strongest returns, buoyed by robust earnings and a light new issue calendar

-Communication from the US Federal Reserve suggested the policy tightening cycle may not yet be complete, with investors cautioned against underestimating the potential for a renewed acceleration in inflation and, consequently, a push forward in policy tightening. Investors appear increasingly confident that the European Central Bank will raise rates by 25 basis points in September, with two further hikes anticipated over the next 12 months, as a resilient economy, sticky inflation, and rising gas prices heading into winter leave little room for a pause

-Emerging markets (EM) also gained this month. Total returns from EM government bonds and corporates were differentiated primarily due to the outperformance of high yield

CORPORATE BOND SPREADS (STW) BY INDEX



HIGH YIELD AND LEVERAGED LOAN TECHNICALS

US Retail Fund Flows

US$0.3 billion in high yield inflows, US$2.7 billion in leveraged loan retail inflows MTD (through 08.31)

HY New Issuance*	US	EUROPE
YTD	US$231.6 bn	US$81.2 bn
MTD	US$26.7 bn	US$0.5 bn
Loan New Issuance*	US	
YTD	US$544.4 bn	
MTD	US$30.1 bn	

Main Market Driver		
Macro: Middle East, Earnings		
Micro: Thin Summer Liquidity		
Default Rates (Dollar weighted)**	US	EUR
LTM	2.5%	3.7%

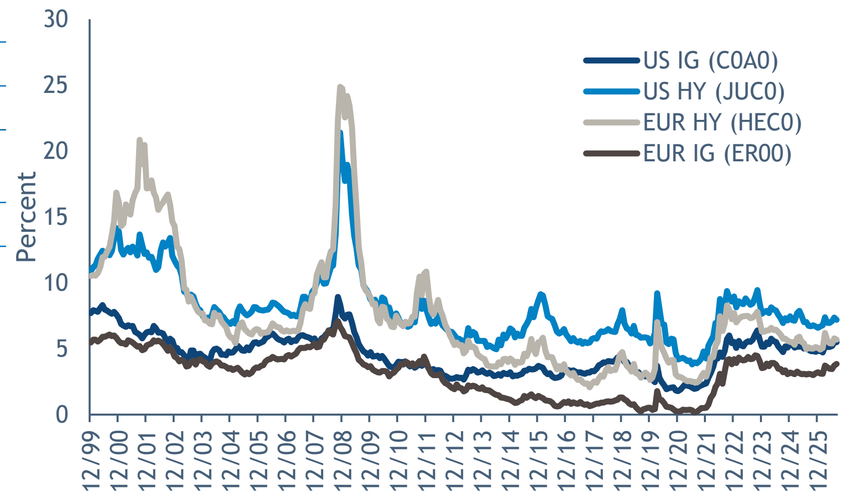
US New Issuance Names (500 mn and above) MTD

Cavalier Acquisition, Newell Brands Inc., Focus Financial Partners, KEHE Distribution, Onemain Finance Corp, RHP Hotel, Valvoline Inc., Gainwell, Zenith Arc LLC, Gray Media Inc, Northern Oil & Gas

US New Issuance Pipeline (Announced)

N/A

CORPORATE BOND YIELDS (YTW) BY INDEX



Note: Reference to the names of each company mentioned in this communication is merely for explaining the investment strategy and should not be construed as investment advice or investment recommendation of those companies.

Muzinich views and opinions are for illustrative purposes only and not to be construed as investment advice. Unless stated all data figures are sourced from Bloomberg as of August 31st, 2026. Full information on indices is provided on page 5. *JP Morgan; European figures include non-Euro issues of European companies. **Moody's Default Report as of July 31st, 2026. Most recent data available used.

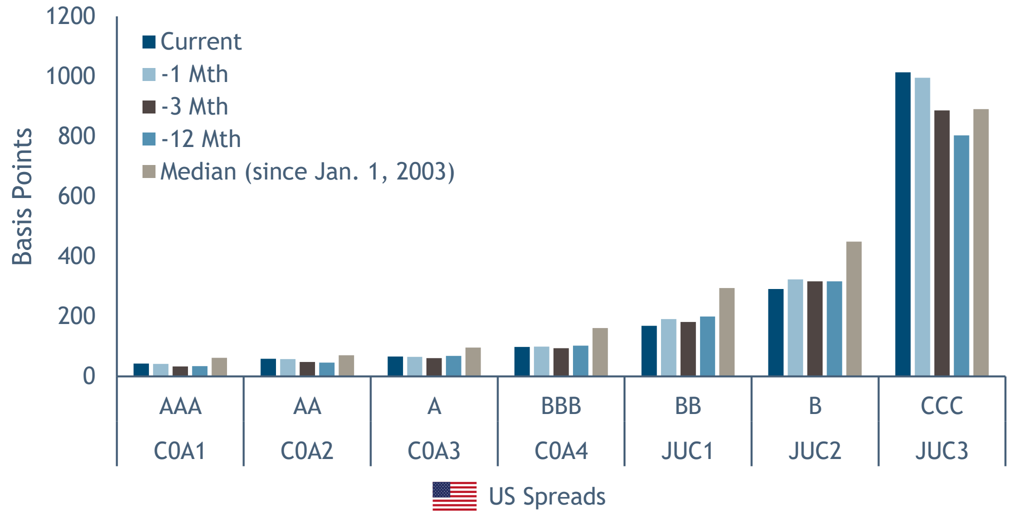
Muzinich & Co. Corporate Credit Snapshot | August 2026

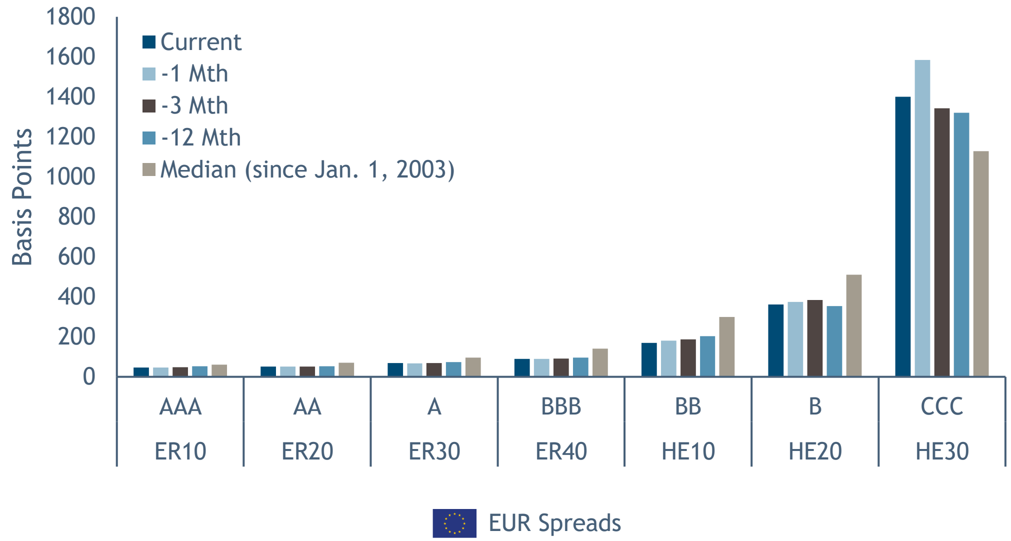
Muzinich & Co

CORPORATE BOND SPREADS (STW) - AUGUST 31, 2026

	Index	Rating	Current STW	-1 Mth	-3 Mth	-12 Mth	Median (since Jan. 1, 2003)
US	C0A0	IG	79	79	74	81	126
	JUC0	HY	275	298	286	300	432
	JUC4	BB/B	211	236	228	245	366
	C0A1	AAA	43	42	33	34	62
	C0A2	AA	59	58	48	46	71
	C0A3	A	66	65	61	68	96
	C0A4	BBB	98	99	94	102	162
	JUC1	BB	169	191	181	200	294
	JUC2	B	291	323	317	317	450
	JUC3	CCC	1013	995	887	803	891
EM	EMCL	All	146	153	158	165	292
EUR	ER00	IG	77	77	78	83	113
	HEC0	HY	272	290	284	298	411
	ER10	AAA	47	46	48	53	62
	ER20	AA	52	51	51	53	70
	ER30	A	69	68	69	74	96
	ER40	BBB	90	90	91	96	142
	HE10	BB	170	181	188	204	299
	HE20	B	362	374	384	354	510
	HE30	CCC	1400	1585	1342	1321	1129

CORPORATE BOND SPREADS (STW)





Muzinich views and opinions are for illustrative purposes only and not to be construed as investment advice. Unless stated otherwise all data is sourced by Bloomberg as of August 31st, 2026. Full information on indices is provided on page 5.

Muzinich & Co. Corporate Credit Snapshot | August 2026

Muzinich & Co

MARKET PERFORMANCE % AND STATISTICS – AUGUST 31, 2026

		Performance Summary (%)				Characteristics			Performance History (%, annualised)				
High Yield		**MTD**	**Pr. Mth**	**QTD**	**YTD**	**DTW (yrs)**	**YTW (%)**	**STW (bps)**	**1 Year**	**2 Year**	**3 Year**	**4 Year**	**5 Year**
JUC0	US HY	0.98	-0.28	0.69	2.58	3.08	7.19	275	4.77	6.44	8.38	8.05	4.08
JC4N	US HY BB-B	1.03	-0.30	0.73	2.93	3.16	6.52	208	5.36	6.23	8.02	7.67	3.86
HEC0	Euro HY	0.32	-0.34	-0.02	1.88	3.01	5.70	272	2.97	4.95	7.20	6.98	2.81
HEC5	Euro HY BB-B	0.45	-0.31	0.14	1.97	3.00	5.16	218	3.34	5.23	7.28	7.10	2.92
Investment Grade													
C0A0	US IG	0.40	-1.55	-1.15	-0.16	6.31	5.50	79	2.03	3.13	5.19	4.11	0.09
C4NF	US BBB Corporates	0.50	-1.62	-1.13	0.12	6.42	5.67	95	2.38	3.44	5.62	4.68	0.22
ER00	Europe IG	-0.25	-0.97	-1.21	0.13	4.37	3.85	77	0.77	2.60	4.15	3.35	-0.19
EN40	Europe BBB	-0.18	-0.97	-1.15	0.22	4.35	3.94	87	0.93	2.79	4.45	3.66	-0.26
Governments (7-10 Year Indices)													
G4O2	US Treasuries 7-10 Yrs	0.14	-1.40	-1.26	-1.22	7.00	4.69	2	0.36	1.64	3.10	1.35	-1.55
G4L0	UK Gilts 7-10 Yrs	0.23	-1.51	-1.28	-0.71	7.11	5.01	0	2.44	1.27	3.26	0.46	-2.59
G4D0	German Fed Govt 7-10 Yrs	-0.64	-2.00	-2.62	-1.30	7.59	3.24	0	-1.61	-0.84	0.78	-0.74	-3.51
Equities													
S&P	S&P 500 incl. Dividends	2.72	-0.06	2.66	13.12				20.35	18.08	21.02	19.72	12.77
DAX	DAX Index	2.45	2.53	5.05	7.22				9.86	17.85	18.08	19.60	10.64
Syndicated Loans							**YTM (%)**	**3Y DM (bps)**					
US	US Leveraged Loan Index	0.96	0.79	1.76	3.08		8.82	482	4.57	5.72	7.08	7.61	6.07
Europe	European Leveraged Loan Index	0.57	0.05	0.62	2.46		8.00	508	3.77	4.77	6.15	6.82	5.09

Past performance is not a reliable indicator of current or future performance.

Muzinich views and opinions are for illustrative purposes only and not to be construed as investment advice. All performance, duration, yield and spread data sourced by Bloomberg as of August 31st, 2026. Full information on indices is provided on page 5. Index performance is for illustrative purposes only. You cannot invest directly in the index.

Muzinich & Co. Corporate Credit Snapshot | August 2026

Muzinich & Co

CREDIT MARKET UPDATE

US:
US credit delivered positive returns in August across the board. The month was somewhat choppy, shaped by the conflict in the Middle East, thin summer liquidity, and an ongoing earnings season. Strong corporate earnings supported a tightening in credit spreads across the credit spectrum, with high yield delivering the strongest returns, buoyed by robust earnings and a light new issue calendar. At the same time, communication from the Federal Reserve suggested the policy tightening cycle may not yet be complete, with investors cautioned against underestimating the potential for a renewed acceleration in inflation and, consequently, a push forward in policy tightening. Interest rates moved higher over the month as the curve shifted upward, a dynamic that weighed more heavily on longer-duration assets and contributed to high yield's outperformance relative to investment grade. Within fixed income, corporate credit outperformed government bonds, a trend we expect to continue. Against this backdrop, we see opportunity across the credit spectrum: shorter-duration positioning remains attractive given the current rate environment, while investment grade offers investors durable, high-quality income.

EM:
Emerging markets (EM) gained this month. August was somewhat choppy, shaped by the conflict in the Middle East, thin summer liquidity, and the ongoing earnings season. Strong global corporate earnings supported a tightening in credit spreads, most notably in high yield. At the same time, communication from major central banks suggested that the policy tightening cycle may not yet be complete, with investors cautioned against underestimating the potential for a renewed acceleration in inflation and, consequently, a push forward in policy tightening. Total returns from government bonds and corporates were differentiated primarily due to the outperformance of high yield, which outperformed due to spread tightening, combined with higher carry and lower sensitivity to rising global government bond yields. Within high yield, Asia was the strongest-performing region, driven primarily by the property sector. In investment grade, Eastern Europe and Middle East/Africa benefited from broad-based spread tightening across the Middle East, which helped offset the impact of rising government bond yields. From a credit-rating perspective, BBs were the strongest-performing bucket in EM, benefiting from an attractive balance between credit risk and lower interest-rate sensitivity.

Europe
European credit markets delivered mixed but broadly constructive returns in August. The month was somewhat choppy, shaped by the conflict in the Middle East, thin summer liquidity, and an ongoing earnings season. Strong global corporate earnings supported a tightening in credit spreads, most notably in high yield, which outperformed investment grade on the back of robust results, growth upgrades, and a light new issue calendar—a combination that pushed spreads tighter. Demand for credit remained healthy and new supply was absorbed easily. At the same time, central bank communication suggested the tightening cycle may not yet be complete. Investors appear increasingly confident that the European Central Bank will raise rates by 25 basis points in September, with two further hikes anticipated over the next 12 months, as a resilient economy, sticky inflation, and rising gas prices heading into winter leave little room for a pause. Within fixed income, corporate credit outperformed government bonds, a trend we expect to continue. In Europe, the long end of the curve underperformed on fiscal tolerance concerns. Against this backdrop, higher yields at the short end of the curve may allow for income generation without exposure to concerns about long-term fiscal stability.

Outlook:
We are heading into September in an environment of persistent event risk, with the Middle Eastern conflict still unresolved and inflation showing few signs of easing across major economies. We expect US Treasury yield volatility to remain elevated around the Federal Reserve's September meeting, where markets are pricing a meaningful probability of a further rate hike. In Europe, the European Central Bank is widely anticipated to hike as well. In general, we remain positive on corporate fundamentals globally, although we acknowledge the market's questions around near-term returns, particularly in tech-related sectors tied to heavy capital spending. We also acknowledge that credit spreads look quite compressed following August's rally; however, we expect a heavier new issue calendar in September to create attractive entry points. We continue to find healthy yields offering potential income and downside defense, and we remain active in seeking out opportunities as they arise.

Important Information

The following indices referenced in the snapshot are ICE BofA indices:
JUC0 – ICE BofA US Cash Pay High Yield Constrained Index
JUC1 – ICE BofA BB US Cash Pay High Yield Constrained Index;
JUC2 - ICE BofA Single-B US Cash Pay High Yield Constrained Index;
JUC3 - ICE BofA CCC and Lower US Cash Pay High Yield Constrained Index;
JUC4 – ICE BofA BB-B US Cash Pay High Yield Constrained Index;
JC4N – ICE BofA BB-B US Non-Financial Cash Pay High Yield Constrained Index;
HEC0 – ICE BofA Euro High Yield Constrained Index;
HE10 – ICE BofA BB Euro High Yield Index;
HE20 – ICE BofA Single-B Euro High Yield Index;
HE30 – ICE BofA CCC & Lower Euro High Yield Index;
HEC5 – ICE BofA BB-B Euro Non-Financial High Yield Constrained Index;
C0A0 – ICE BofA US Corporate Index;
C0A1 - ICE BofA AAA US Corporate Index;
C0A2 - ICE BofA AA US Corporate Index;
C0A3 - ICE BofA Single-A US Corporate Index;
C0A4 - ICE BofA BBB US Corporate Index;
C4NF – ICE BofA BBB US Non-Financial Corporate Index;
ER00 – ICE BofA Euro Corporate Index;
ER10 – ICE BofA AAA Euro Corporate Index;
ER20 – ICE BofA AA Euro Corporate Index;
ER30 – ICE BofA Single-A Euro Corporate Index;
ER40 – ICE BofA BBB Euro Corporate Index;
EN40 - ICE BofA BBB Euro Non-Financial Index;
G4O2 – ICE BofA 7-10 Year US Treasury Index
G4L0 – ICE BofA 7-10 Year UK Gilt Index
G4D0 – ICE BofA 7-10 Year German Government Index;
EMCL – ICE BofA US Emerging Markets Liquid Corporate Plus Index.

S&P 500 - The Standard & Poor's 500 Index (S&P 500) is an index of 500 stocks seen as a leading indicator of U.S. equities and a reflection of the performance of the large cap universe, made up of companies selected by economists.
DAX - The German Stock Index is a total return index of 30 selected German blue chip stocks traded on the Frankfurt Stock Exchange. The equities use free float shares in the index calculation.
Bloomberg US Leveraged Loan Index - The Bloomberg US Leveraged Loan Index measures the performance of USD denominated, hig-yield, floating-rate, institutional leveraged loan market. The US Loan Index was created in 2024, with history backfilled to January 1, 2019.
Bloomberg European Leveraged Loan Index – The Bloomberg European Leveraged Loan Index measures the performance of the EUR- and GBP- denominated, high-yield, floating-rate, institutional leveraged loan market. The index was created in 2025, with history backfilled to January 1, 2019.

All performance, duration, yield and spread data downloaded from Bloomberg. Markit iBoxx USD Leveraged Loan (IBOXLTRI), S&P 500 incl. Dividends, and DAX figures from Bloomberg. You cannot invest directly into an index.

Important Information| August 2026

Muzinich & Co

"Muzinich & Co.", “Muzinich” and/or the "Firm" referenced herein is defined as Muzinich & Co. Inc. and its affiliates. This material has been produced for information purposes only and as such the views contained herein are not to be taken as investment advice. Opinions are as of date of publication and are subject to change without reference or notification to you. Past performance is not a reliable indicator of current or future results and should not be the sole factor of consideration when selecting a product or strategy. The value of investments and the income from them may fall as well as rise and is not guaranteed and investors may not get back the full amount invested. Rates of exchange may cause the value of investments to rise or fall. Emerging Markets may be more risky than more developed markets for a variety of reasons, including but not limited to, increased political, social and economic instability; heightened pricing volatility and reduced market liquidity.

Any research in this document has been obtained and may have been acted on by Muzinich for its own purpose. The results of such research are being made available for information purposes and no assurances are made as to their accuracy. Opinions and statements of financial market trends that are based on market conditions constitute our judgment and this judgment may prove to be wrong. The views and opinions expressed should not be construed as an offer to buy or sell or invitation to engage in any investment activity, they are for information purposes only.

This document contains forward-looking statements, which give current expectations of future activities and future performance. Any or all forward-looking statements in this document may turn out to be incorrect. They can be affected by inaccurate assumptions or by known or unknown risks and uncertainties. Although the assumptions underlying the forward-looking statements contained herein are believed to be reasonable, any of the assumptions could be inaccurate and, therefore, there can be no assurances that the forward-looking statements included in this discussion material will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation that the objectives and plans discussed herein will be achieved. Further, no person undertakes any obligation to revise such forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

The content of this document is for information purposes and is directed at institutional, professional and sophisticated investors able to understand and accept the risks involved. It has been prepared using publicly available information, internally developed data and other sources believed to be reliable. It does not constitute an offer or solicitation to any person in any jurisdiction to purchase or sell any investment, nor does it constitute investment advice.

The material in this document is directed only at entities or persons in jurisdictions or countries where access to and use of this information is not contrary to local laws or regulations. The views expressed and the information contained in this document may be subject to change at any time without notice. Opinions and statements of financial market trends that are based on market conditions constitute our judgment and are subject to change without notice. Historic market trends are not reliable indicators of actual future market behaviour. This document is intended for the sole use of the intended recipients and its content may not be copied, published or otherwise distributed. Muzinich does not warrant this information and does not accept liability of any type for actions taken or not taken as a result of this information.

United States: This material is for Institutional Investor use only – not for retail distribution. Muzinich & Co., Inc. is a registered investment adviser with the Securities and Exchange Commission (SEC). Muzinich & Co., Inc.’s being a Registered Investment Adviser with the SEC in no way shall imply a certain level of skill or training or any authorization or approval by the SEC.

United Arab Emirates (UAE): This information is provided for discussion and informational purposes only and does not constitute an offer or solicitation in the UAE. It is intended solely for Professional Investors and should not be relied upon by any other person.

This material has not been reviewed or approved by the UAE Securities and Commodities Authority, the UAE Central Bank or any other relevant authority.

Nothing contained herein constitutes investment, legal, tax or other professional advice. Recipients should make their own independent assessment where appropriate.

Important Information | August 2026

Muzinich & Co

Abu Dhabi Global Market (ADGM): This information is provided for discussion and informational purposes only and does not constitute an offer or solicitation in the ADGM. It is intended solely for Professional Clients (as defined by the Financial Services Regulatory Authority) and should not be relied upon by any other person.

This material has not been reviewed or approved by the Financial Services Regulatory Authority or any other relevant authority in the UAE.

Issued in the European Union by Muzinich & Co. (Ireland) Limited, which is authorized and regulated by the Central Bank of Ireland. Company registration No. 307511. Registered address: 32 Molesworth Street, Dublin 2, D02 Y512, Ireland.

Issued in Switzerland by Muzinich & Co. (Switzerland) AG. Registered in Switzerland No. CHE-389.422.108. Registered address: Tödistrasse 5, 8002 Zurich, Switzerland.

Issued in Singapore and Hong Kong by Muzinich & Co. (Singapore) Pte. Limited, which is licensed and regulated by the Monetary Authority of Singapore. Registered in Singapore No. 201624477K. Registered address: 6 Battery Road, #26-05, Singapore, 049909.

Issued in the United Kingdom by Muzinich & Co. Limited. which is authorized and regulated by the Financial Conduct Authority. Registered in England and Wales No. 3852444. Registered address: 8 Hanover Street, London W1S 1YQ, United Kingdom.

Issued in all other jurisdictions (excluding the U.S.) by Muzinich & Co. Limited. which is authorized and regulated by the Financial Conduct Authority. Registered in England and Wales No. 3852444. Registered address: 8 Hanover Street, London W1S 1YQ, United Kingdom. 2026-09-07-19329.