



MIRABAUD—GLOBAL HIGH YIELD BONDS

Market News

Economic data continues to be very weak across the board but no change there. US/China tension has ramped up significantly and we expect this to continue as the US Presidential campaign gets under way. Cautious re-opening of economies in Europe has begun as has the US. Oil has had the first bit of weakness in a while as China withdrew its GDP target for 2020, and tensions ramped up over a new Hong Kong security bill.

Flows/Company News/Results/

Continued strong inflows into fixed income. \$1.673bn into USHY, \$5.33bn into IG

New issue market remains strong. Hertz announced it is not going to pay its coupon joining the ever increasing list of defaulting HY companies.

Derivatives

3.5% CDX hedge

3.5% ITRX hedge

Outlook

May has been an extremely strong month for risk. We expect some consolidation here as we look to Q2 economic damage continuing to unfold.

Source: Mirabaud Asset Management. Mirabaud - Global High Yield Bonds.

marketing@mirabaud-am.com | www.mirabaud-am.com

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