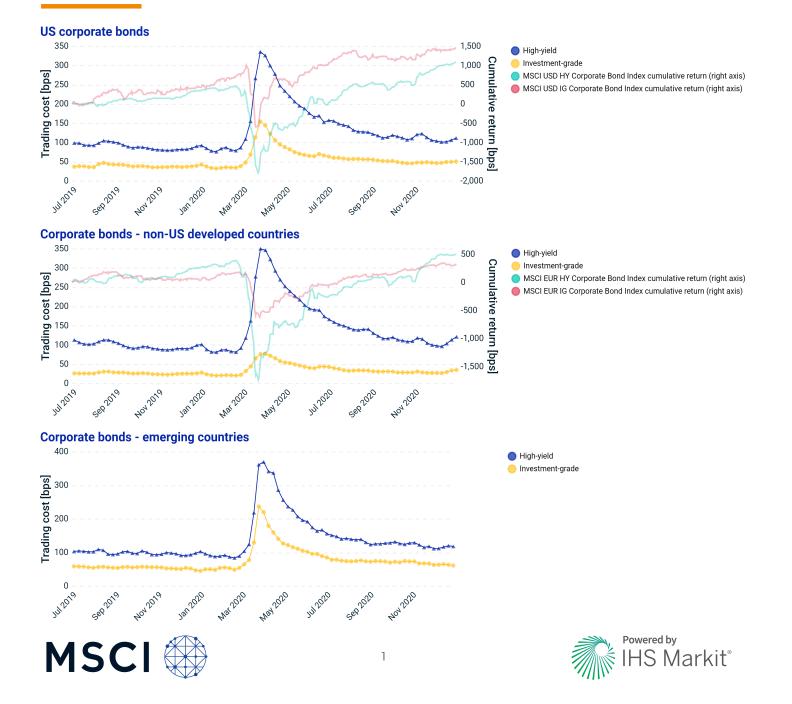
Data through December 31, 2020

Monthly report highlighting the behavior of key liquidity indicators in global markets

Corporate bonds liquidity - Cost of forced selling of USD 10 million

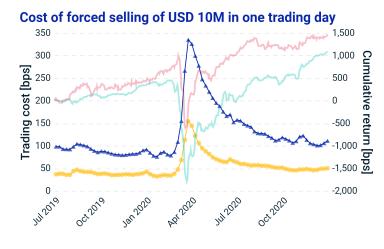
- Transaction costs have increased sharply for non-U.S. developed countries, and especially for the U.K. towards the end of 2020, mainly due to a significant increase in the market impact component of trading costs.
- In the U.S. a moderate increase in transaction costs was observed, while trading costs did not change significantly in emerging countries.
- Market depths generally decreased for corporate bonds of developed countries, however, this may be explained by the year-end.



Data through December 31, 2020

Monthly report highlighting the behavior of key liquidity indicators in global markets

US corporate bonds

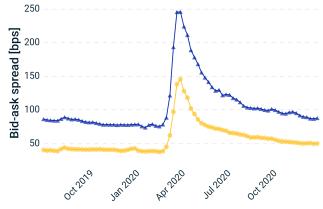


High-yield Investment-grade

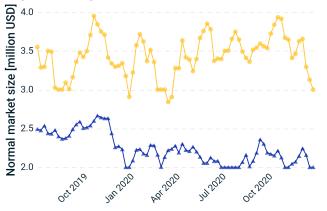
MSCI USD HY Corporate Bond Index cumulative return (right axis)

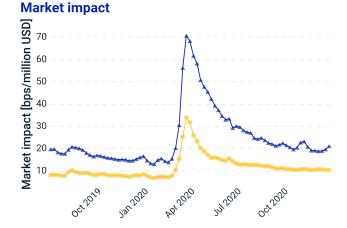
MSCI USD IG Corporate Bond Index cumulative return (right axis)

Bid-ask spread

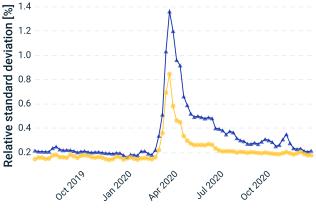


Depth at best price













Data through December 31, 2020

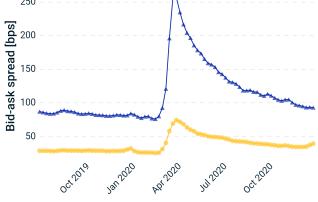
Monthly report highlighting the behavior of key liquidity indicators in global markets

Corporate bonds - non-US developed countries

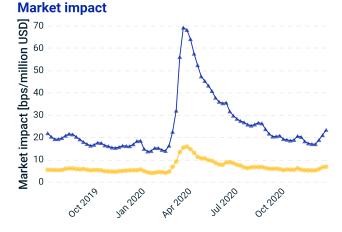


- High-yield
 Investment-grade
 MSCI EUR HY Corporate Bond Index cumulative return (right axis)
- MSCI EUR IG Corporate Bond Index cumulative return (right axis)

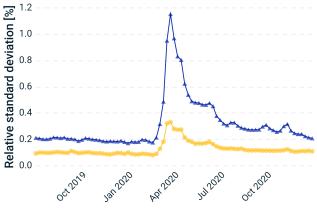
Bid-ask spread













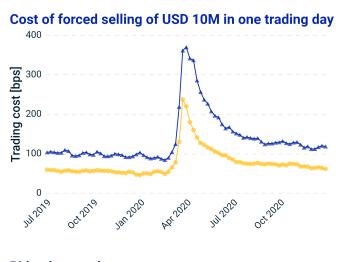


Data through December 31, 2020

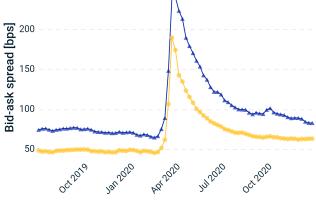
Monthly report highlighting the behavior of key liquidity indicators in global markets

High-yield
 Investment-grade

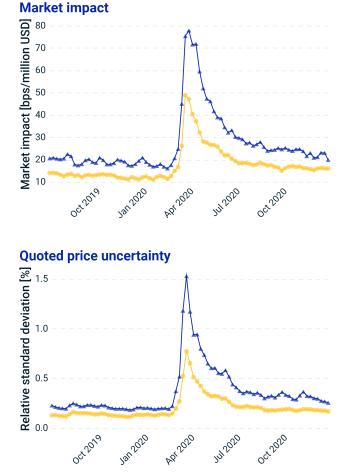
Corporate bonds - emerging countries















Data through December 31, 2020

Monthly report highlighting the behavior of key liquidity indicators in global markets

Corporate bonds - United Kingdom

400 High-yield 1,000 Cumulative return [bps] 😑 Investment-grade Trading cost [bps] 300 MSCI GBP HY Corporate Bond Index cumulative return (right axis) 500 MSCI GBP IG Corporate Bond Index cumulative return (right axis) 200 0 500 100 -1,000 0 0^{ct} 2019 Jan 2020 AP12020 1112020 oct 2020 Jul 2019 **Bid-ask spread** Market impact 300 Market impact [bps/million USD] 80 250 Bid-ask spread [bps] 60 200 40 150 100 20 50 0 0°t 2019 Jan 2020 APT 2020 1112020 0ct 2020 oct 2020 oct 2019 A912020 Jan 2020 1112020 Depth at best price **Quoted price uncertainty** Normal market size [million USD] 4.0 3.5 3.0 2.5 2.0 0ct 2019 APT 2020 1112020 oct 2020 0ct 2019 AP12020 JU12020 oct 2020 Jan 2020 Jan 2020 Powered by

Cost of forced selling of USD 10M in one trading day

MSCI 🏵

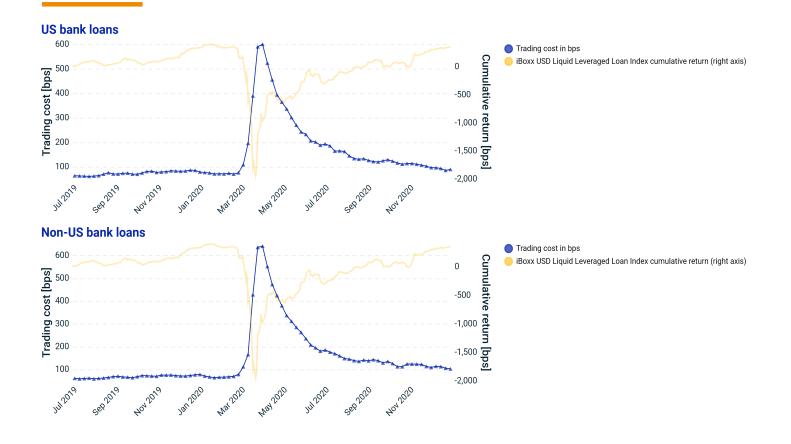
IHS Markit®

Data through December 31, 2020

Monthly report highlighting the behavior of key liquidity indicators in global markets

Bank loans liquidity - Cost of forced selling of USD 10 million

- Both the bid-ask spread and the market impact components of transaction costs have decreased for bank loans across all regions.
- The market depth of both U.S. and non-U.S. bank loans has dropped, however, this may be explained by the year-end.
- The quoted-price uncertainty of non-U.S. bank loans has dropped significantly and has approached its levels before the COVID-19 crisis.







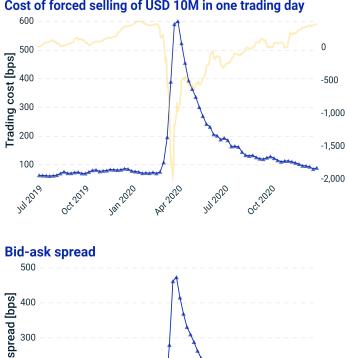
Data through December 31, 2020

Monthly report highlighting the behavior of key liquidity indicators in global markets

Cumulative return

[bps]

US bank loans

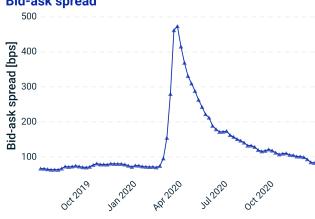


Cost of forced selling of USD 10M in one trading day

Trading cost in bps

Market impact

iBoxx USD Liquid Leveraged Loan Index cumulative return (right axis)



Depth at best price









Data through December 31, 2020

Monthly report highlighting the behavior of key liquidity indicators in global markets

Non-US bank loans



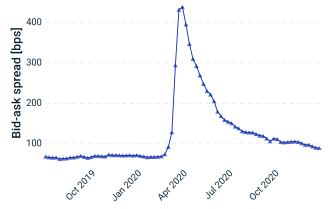
Trading cost in bps

Market impact

140

iBoxx USD Liquid Leveraged Loan Index cumulative return (right axis)

Bid-ask spread



Depth at best price





