#11 | June 2026

Amundi Investment Solutions

Trust must be earned

Euro Credit Market Views

Authors

Valentine AINOUZ

CFA - Head of Global Fixed Income Strategy, Amundi Investment Institute

Sandrine ROUGERON

Global Head of Corporate and Corporate Pension Funds Clients, Amundi

In a nutshell

Over the past three months, markets have been dominated by developments in the Middle East conflict and by the rise of artificial intelligence. Oil prices rose by roughly 65% to a peak of USD 117 per barrel. Investors viewed the conflict as an inflationary and rates shock: government bond yields climbed across the curve, particularly at the short end. This increase reflects (1) a reassessment of inflation risk, (2) expectations of a less accommodative monetary policy, and (3) renewed questions about public deficit trajectories.

Nonetheless, recession fears remained muted. The ceasefire announcement reduced the risk of widespread damage to energy infrastructure and eased the prospect of persistently very high oil prices. Credit markets also showed notable resilience. Equities also held up well, supported by technology and semiconductor stocks benefiting from AI optimism.

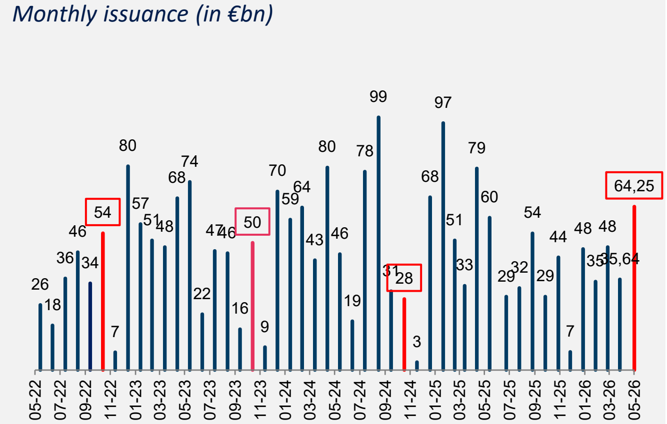
The announcement of a possible agreement between the United States and Iran pushed oil prices below USD 80 per barrel. The easing of inflation concerns triggered a rates rally. The protocol notably provides for the reopening of the Strait of Hormuz, effectively closed since 28 February, and opens a 60-day negotiation window. The agreement signals a return to diplomacy rather than a definitive end to hostilities; structural issues remain, notably on nuclear matters and the costs of maritime services.

The deal and the resumption of traffic through the Strait of Hormuz would be very positive for credit markets. However, investors had already partly priced in an easing: spreads are tighter than at end February. This tightening has been driven by flows into the asset class, as investors are attracted by higher yield levels.

Primary market Investment Grade

Euro IG primary market

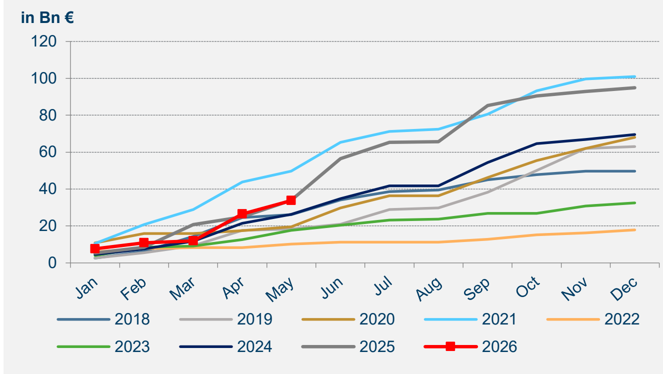
Monthly issuance (in €bn)



Source: Bloomberg, Amundi Inv. Inst., Data as of 28 May 2026

Euro IG primary market

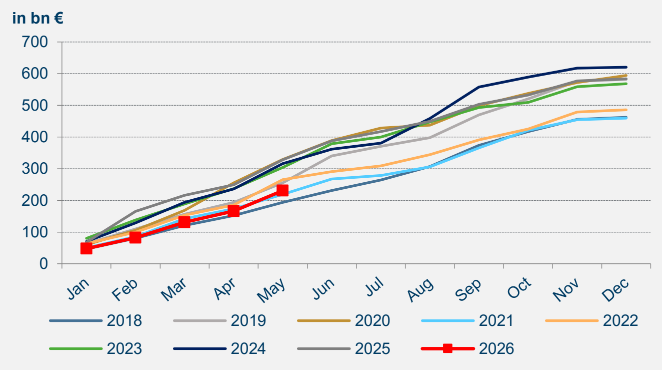
Cumulative monthly issuance (in €bn)



Source: Bloomberg, Amundi Inv. Institute, Data as of 28 May 2026

Euro HY primary market

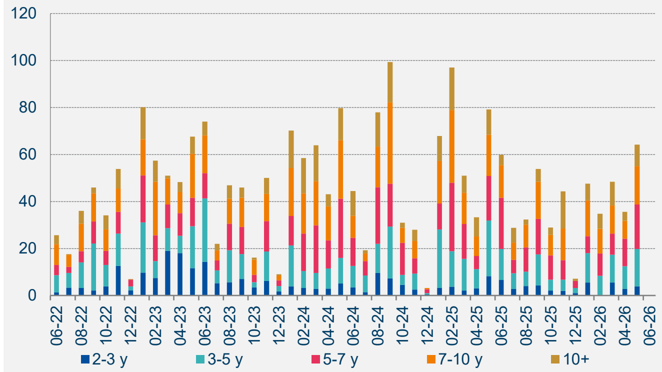
Cumulative flows (in €bn)



Source: Bloomberg, Amundi Inv. Institute, Data as of 28 May 2026

Euro IG primary market

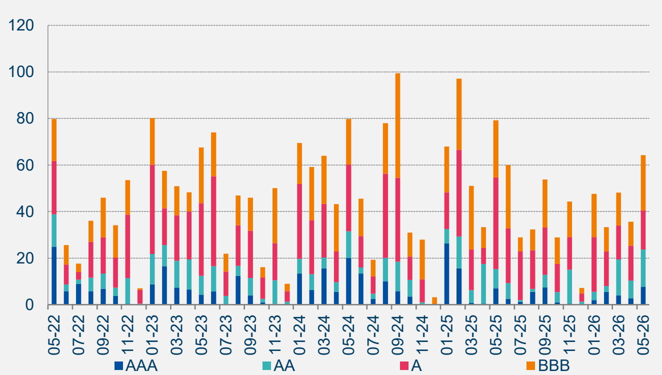
Monthly volume by maturity (in €bn)



Source: Bloomberg, Amundi Inv. Institute, Data as of 28 May 2026

Euro IG primary market

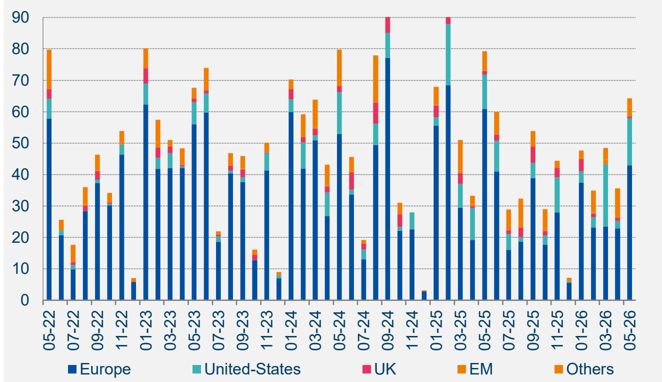
Monthly volume by rating (in €bn)



Source: Bloomberg, Amundi Inv.Institute, Data as of 28 May 2026

Euro IG primary market

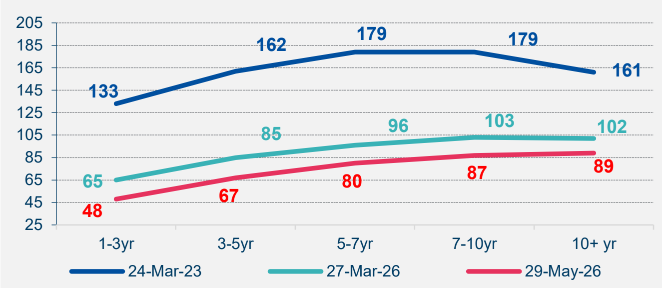
Monthly volume by country (in €bn)



Source: Bloomberg, Amundi Inv.Institute, Data as of 28 May 2026

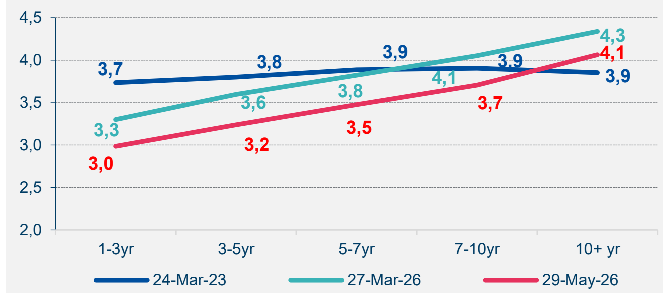
Market data

Euro IG A : OAS (in bp)



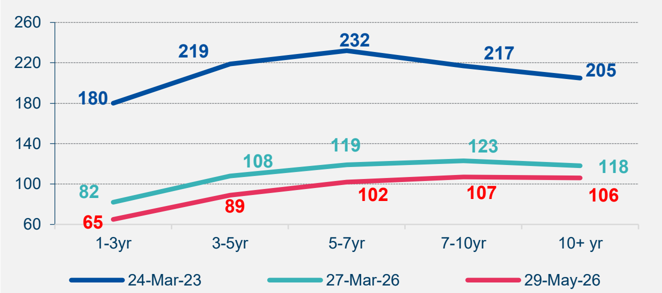
Source: Bloomberg, Amundi Investment Institute

Euro IG A : yield (in %)



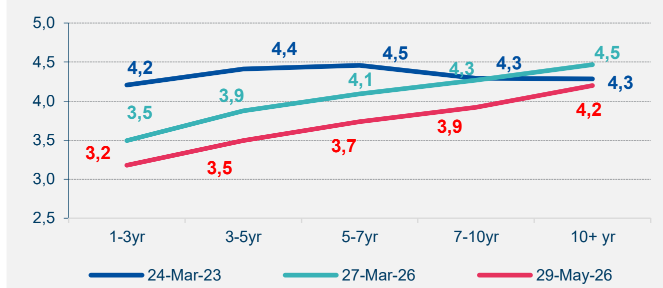
Source: Bloomberg, Amundi Investment Institute

Euro IG BBB : OAS (in bp)



Source: Bloomberg, Amundi Investment Institute

Euro IG BBB : yield (in %)



Source: Bloomberg, Amundi Investment Institute