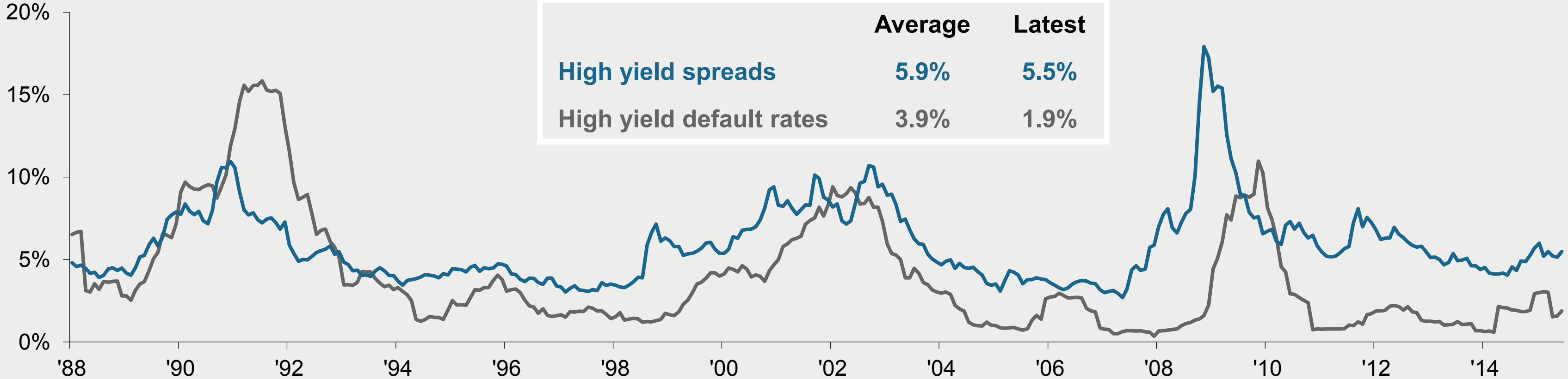
Fixed income

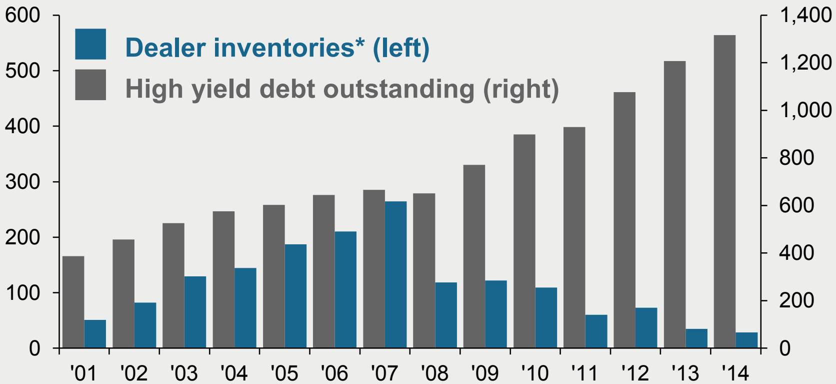
High yield spreads and defaults



	Average	Latest
High yield spreads	5.9%	5.5%
High yield default rates	3.9%	1.9%

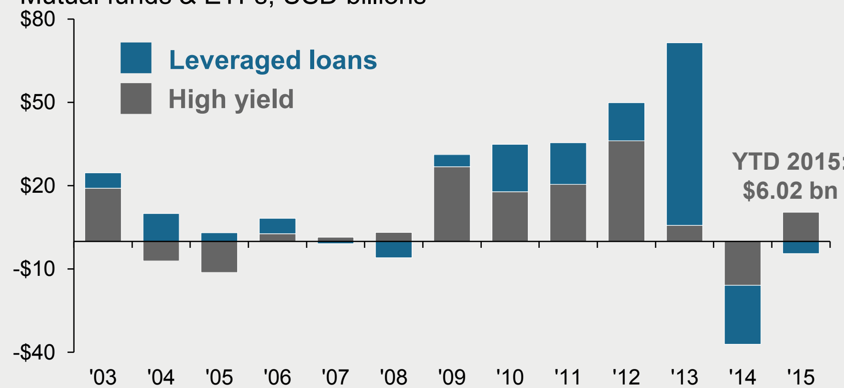
U.S. corporate debt market liquidity

USD billions



Annual flows into high yield and leveraged loan funds

Mutual funds & ETFs, USD billions



Source: Barclays Capital, Federal Reserve, J.P. Morgan, Strategic Insight, U.S. Treasury, J.P. Morgan Asset Management.
Default rates are defined as the par value percentage of the total market trading at or below 50% of par value and include any Chapter 11 filing, prepackaged filing or missed interest payments. Spreads indicated are benchmark yield to worst less comparable maturity Treasury yields. Yield to worst is defined as the lowest potential yield that can be received on a bond without the issuer actually defaulting and reflects the possibility of the bond being called at an unfavorable time for the holder. *Dealer Inventories for all corporate securities including: Investment grade, below investment grade, and commercial paper. Flows include ETFs and are as of May 2015. Past performance is not indicative of comparable future results.
Guide to the Markets – U.S. Data are as of June 30, 2015.

J.P.Morgan Asset Management