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PRELIMINARY: Daily Data on Corporate Bond Spreads and the Pandemic

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This post provides daily data updates on credit spreads during the pandemic.

Financial markets, in particular, have experienced surges in volatility that had not been seen since the 2008-09 Financial Crisis. Some of our graphs track the median and the dispersion of corporate bond spreads, including the dispersion of spreads according to credit rating.

Corporate spread dynamics have not been uniform across sectors. Some of our graphs track the dispersion of credit spreads by looking at their evolution by sector. With other graphs, we incorporate a physical proximity index to divide sectors into two groups, high or low contact-intensity industries.

The red vertical lines in the plots below identify Federal Reserve policy announcement dates relevant to corporate bond markets. For March 23, the Federal Reserve directed the Open Market Desk to purchase commercial mortgage-backed securities and announced the following facilities: Primary Market Corporate Credit Facility (PMCCF), Secondary Market Corporate Credit Facility (SMCCF), and the Commercial Paper Lending Facility. On April 9, the Federal Reserve announced an increase in the flow of credit provided by PMCCF and SMCCF.

For more information, see our previous published analyses: "[Corporate Bond Spreads and the Pandemic](#)," "[Corporate Bond Spreads and the Pandemic II: Heterogeneity across Sectors](#)," and "[Corporate Bond Spreads and the Pandemic III: Variance Across Sectors and Firms](#)."

Figure 1: Median Credit Spreads

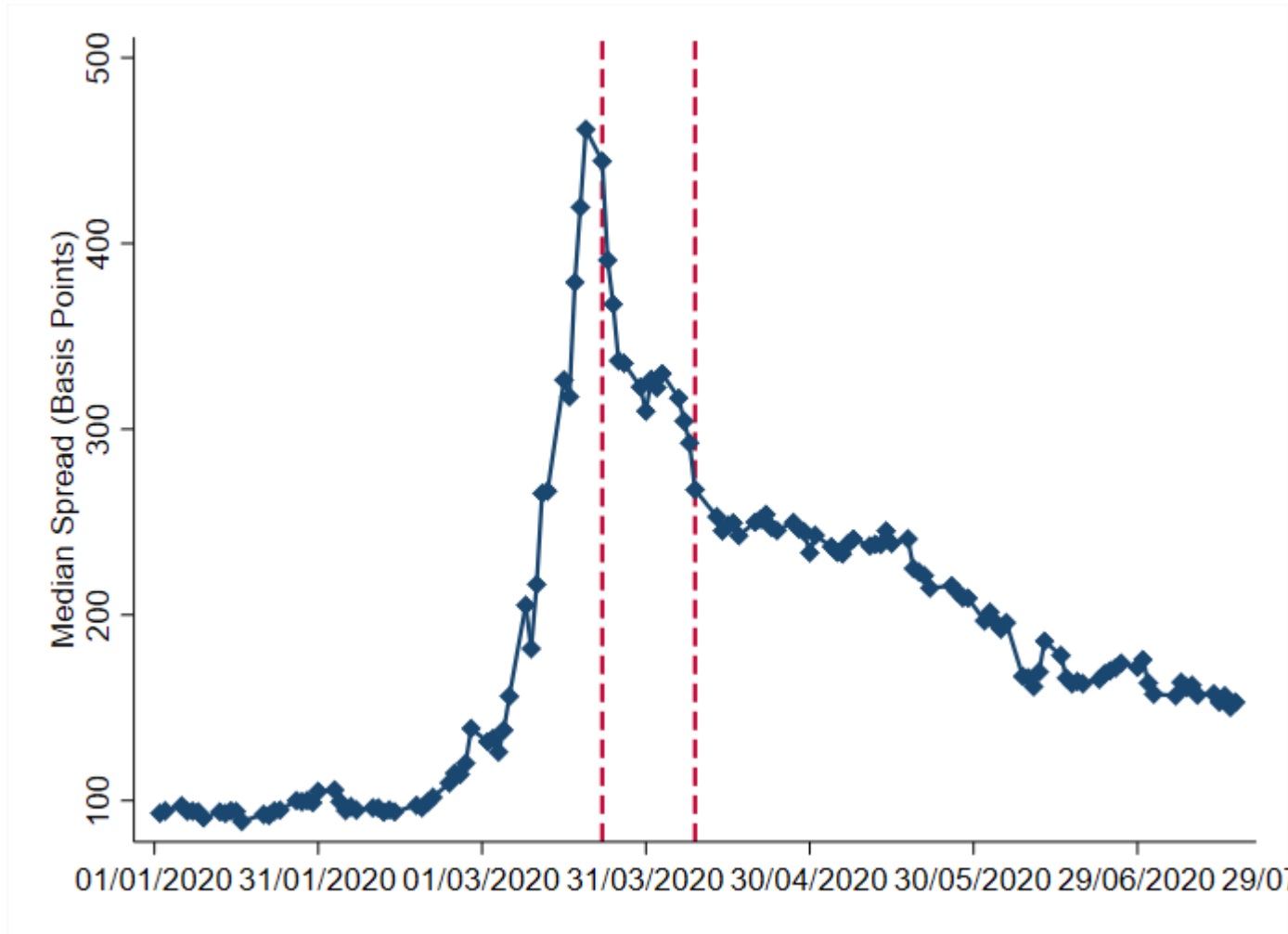


Figure 2: Dispersion of Credit Spreads

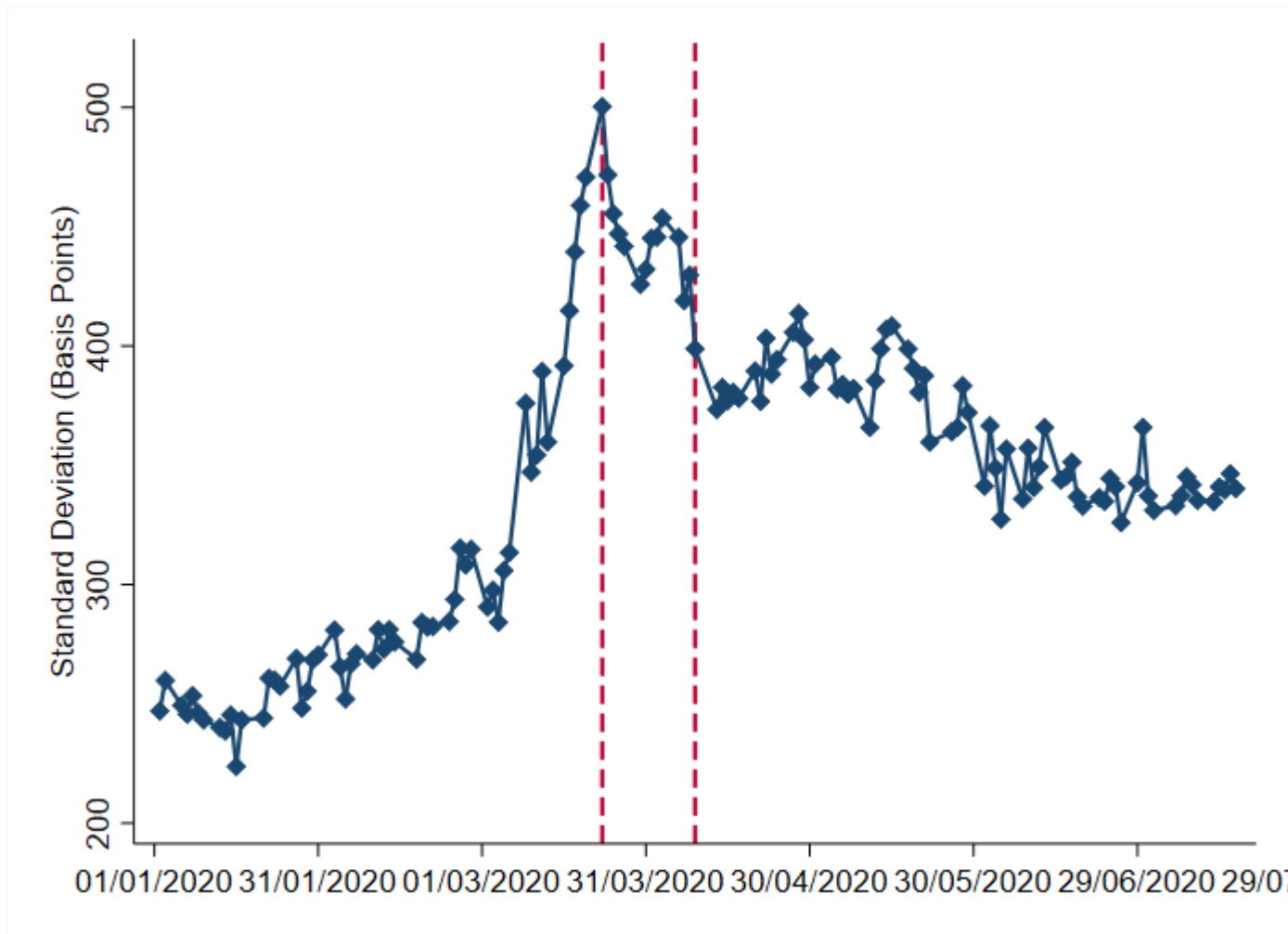


Figure 3: Median Credit Spreads by Credit Rating

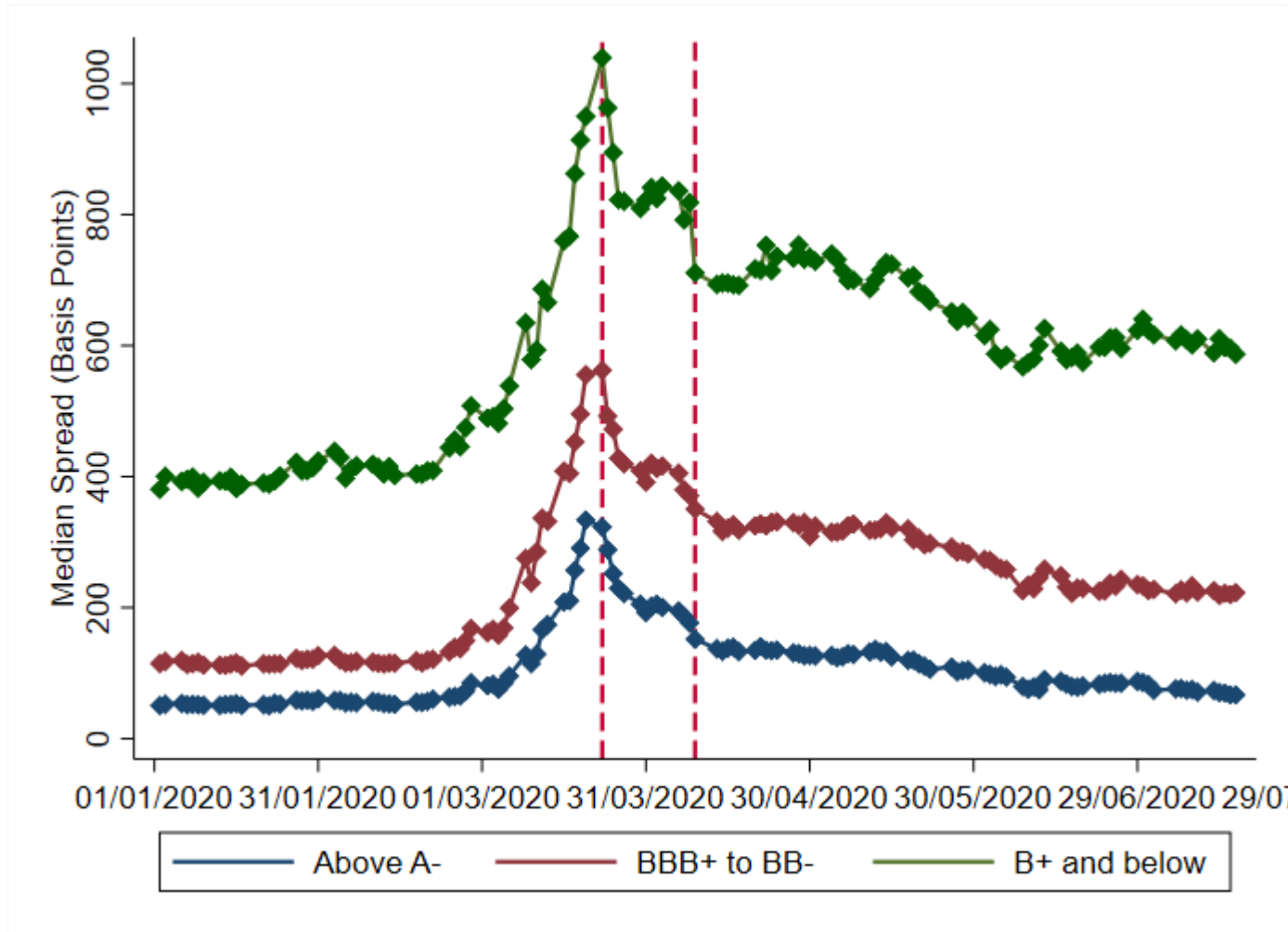


Figure 4: Dispersion of Credit Spreads by Credit Rating

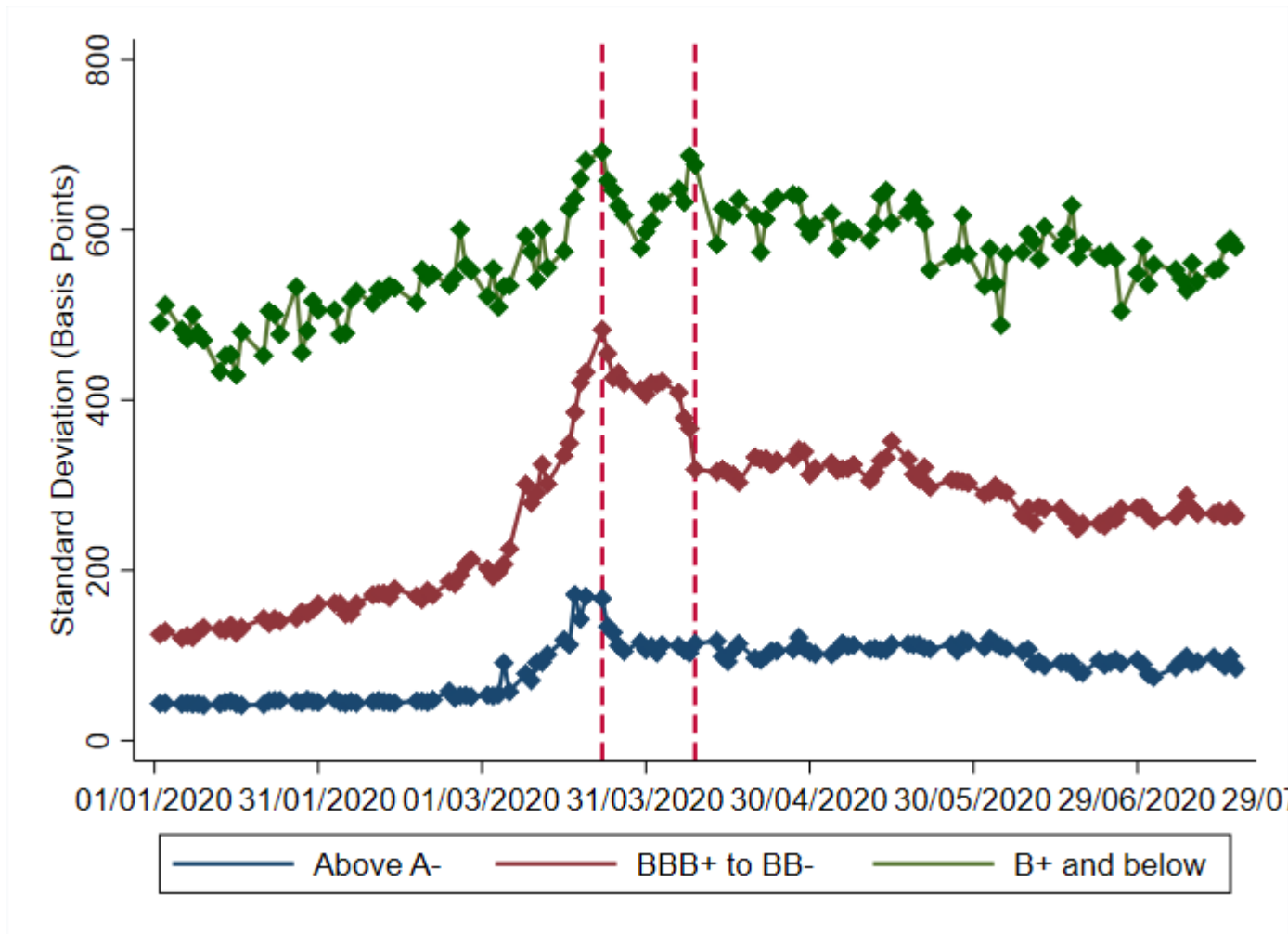


Figure 5: Credit Spreads by Sector

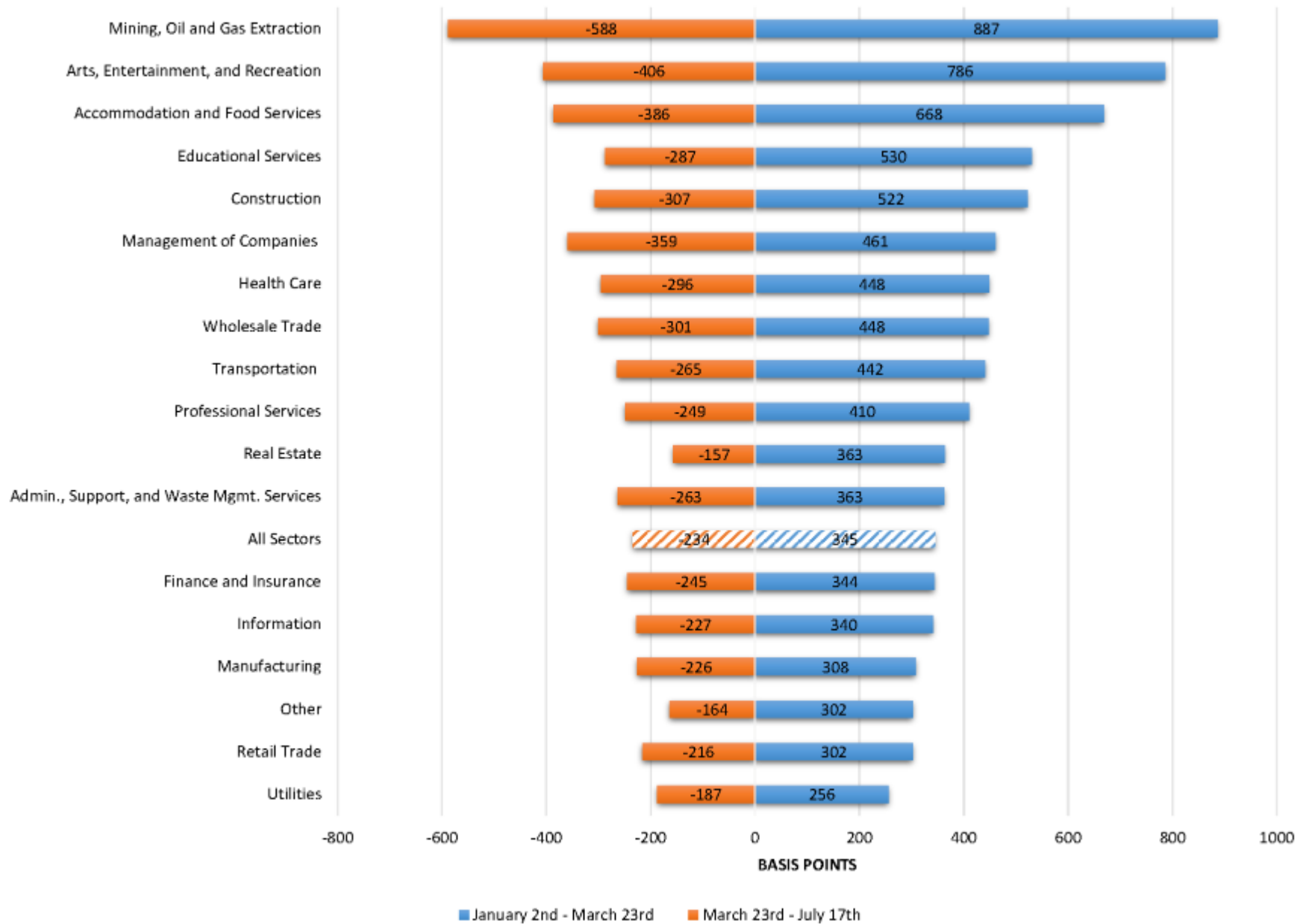


Figure 6: Credit Spreads by Proximity Industry

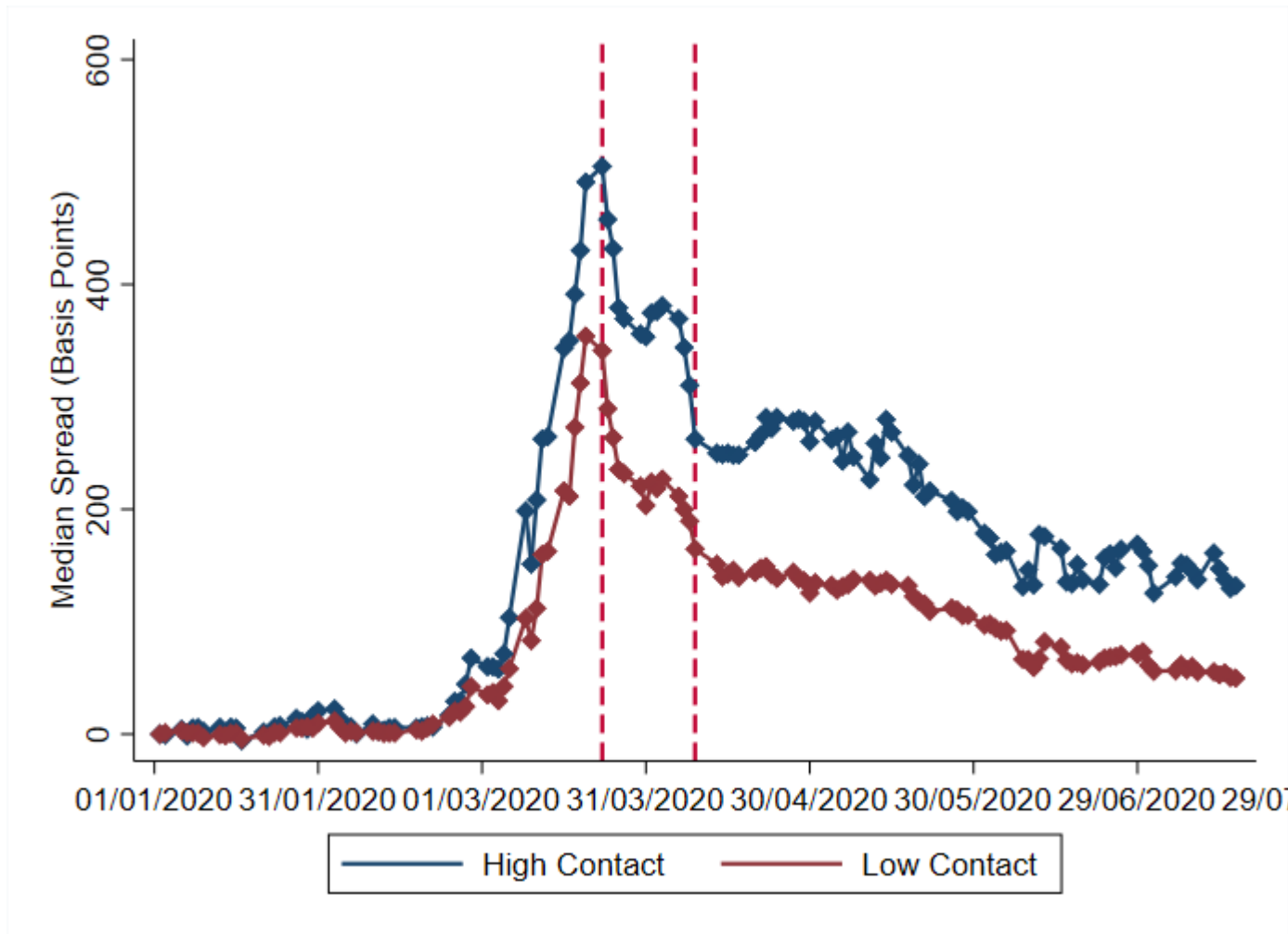
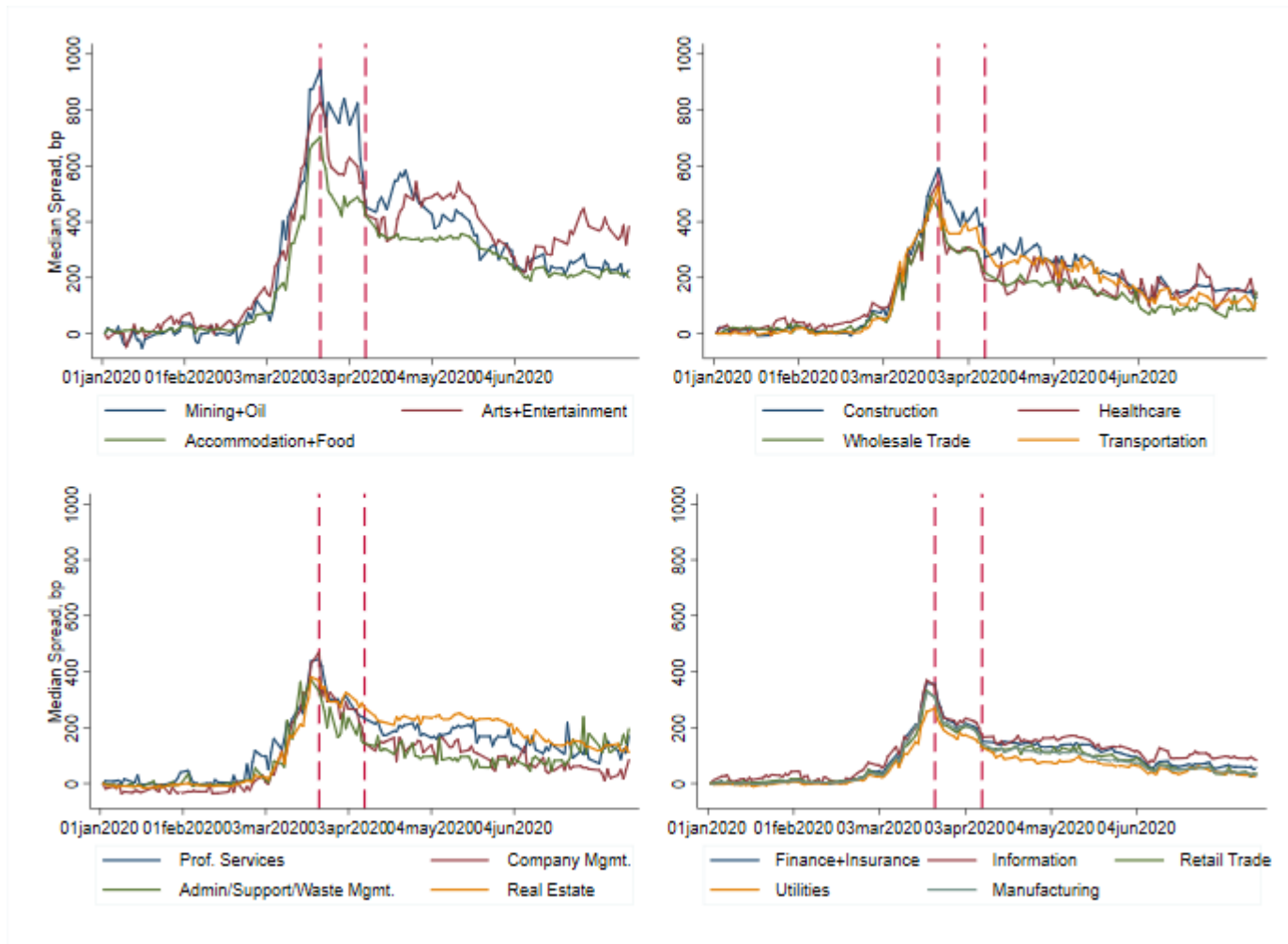


Figure 7: Credit Spreads by Sector



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