Principal Morley

Principal Asset Management®

Sector returns

Bloomberg Stable Income Market Index (SIMI)

DECEMBER 31, 2025

Total Return (Bps)	2025 Dec	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	2024 Dec
Treasury	22	56	38	23	107	-16	75	-38	101	53	100	50	-10
Government-Related	20	55	39	28	107	-7	79	-25	104	51	99	55	-12
Agency	22	55	38	28	96	-5	71	-19	89	47	90	51	1
Local Authority	13	63	39	23	128	-9	88	-30	107	52	109	52	-20
Sovereign	27	33	51	62	106	19	102	10	104	60	100	85	-42
Supranational	17	60	38	21	113	-15	79	-39	116	52	105	53	-17
Corporate	33	57	35	43	108	10	94	18	68	42	95	59	-13
Industrial	32	57	35	42	109	6	90	17	70	42	92	59	-16
Basic Industry	35	50	37	42	110	5	106	21	62	39	103	70	-27
Capital Goods	31	57	37	40	110	5	91	15	73	47	91	59	-13
Consumer Cyclical	38	56	41	47	108	16	102	27	53	31	80	57	-10
Consumer Non-Cyclical	32	59	39	38	108	0	89	7	81	47	94	59	-22
Energy	35	59	37	46	109	11	100	29	53	43	97	57	-16
Technology	29	52	25	41	107	2	89	16	71	45	91	56	-14
Transportation	38	57	38	45	112	12	99	24	53	39	84	55	-9
Communications	29	59	27	40	110	3	52	13	86	42	99	63	-21
Utility	36	53	42	43	114	10	98	20	73	48	104	33	-20
Electric	36	53	42	41	114	10	94	18	75	49	105	32	-20
Natural Gas	42	44	38	60	116	18	127	40	45	38	88	38	-20
Financial Institutions	34	58	34	45	107	15	99	19	65	41	97	62	-8
Banking	32	59	35	45	104	16	97	15	68	44	95	63	-8
Brokerage	40	62	34	37	115	11	94	17	74	43	100	65	-17
Finance Companies	48	51	13	48	113	36	111	69	22	3	103	66	9
Insurance	43	47	36	49	121	-13	112	15	69	45	99	59	-15
REITS	34	61	37	40	117	7	105	29	68	33	107	55	-17
Securitized	52	66	40	47	123	-17	122	-17	75	36	157	63	-56
MBS Passthrough	61	67	42	50	126	-24	135	-23	73	36	179	68	-80
ABS	40	53	31	41	96	7	76	10	58	36	76	41	24
Credit Card	32	55	36	40	106	3	85	5	58	36	88	43	15
Auto Loan	47	50	26	42	86	12	66	15	57	36	65	39	33
CMBS	23	70	38	35	137	-5	106	-14	98	35	126	62	-14
Non Agency CMBS	27	73	37	34	141	2	112	-4	93	29	118	62	0
Agency CMBS	16	65	41	37	129	-17	96	-29	106	45	137	62	-36

Principal Asset Management®

Option Adjusted Spreads (OAS) by Sector

Bloomberg Stable Income Market Index (SIMI)

DECEMBER 31, 2025

OAS	2025 Dec	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	2024 Dec
Treasury	0	0	-1	0	-1	-1	-1	-2	-1	-1	-1	-2	1
Government-Related	16	14	13	14	14	13	15	15	18	18	17	16	20
Agency	12	9	9	11	10	10	10	9	12	12	10	11	15
Local Authority	23	21	20	20	20	23	25	26	29	26	25	23	26
Sovereign	59	60	48	50	62	55	66	68	81	71	75	66	78
Supranational	8	6	6	6	5	4	5	3	5	8	7	7	11
Corporate	60	61	59	55	59	56	63	66	84	69	62	57	60
Industrial	53	55	52	49	53	50	56	58	76	61	54	49	52
Basic Industry	59	61	57	56	60	57	63	70	88	71	64	65	70
Capital Goods	48	49	47	45	49	46	53	54	71	57	53	47	51
Consumer Cyclical	58	62	59	58	63	61	70	75	96	74	63	53	56
Consumer Non-Cyclical	45	47	45	43	47	43	48	49	64	52	48	43	46
Energy	58	60	58	55	60	57	63	66	86	66	58	54	57
Technology	53	54	49	43	46	43	47	48	66	52	48	42	46
Transportation	56	59	56	55	61	61	68	72	95	73	63	54	60
Communications	58	59	57	51	54	51	56	63	80	68	60	57	60
Utility	66	68	64	63	67	65	71	73	90	77	73	70	65
Electric	65	67	63	62	66	63	69	70	88	75	71	68	64
Natural Gas	84	89	82	80	89	86	94	100	120	102	96	88	83
Financial Institutions	67	68	66	61	65	63	70	75	92	76	68	64	68
Banking	60	59	58	55	60	56	64	69	85	70	64	61	65
Brokerage	57	62	62	59	61	59	65	67	84	68	61	57	61
Finance Companies	145	149	142	124	126	123	134	140	175	138	115	110	109
Insurance	81	86	79	73	78	78	77	84	100	84	76	70	72
REITS	62	64	62	59	61	60	65	71	93	76	67	63	64
Securitized	22	33	32	30	33	34	34	40	50	41	36	39	42
MBS Passthrough	10	25	24	23	25	26	25	31	40	32	29	35	38
ABS	37	40	38	33	36	37	42	45	58	45	37	35	33
Credit Card	32	35	32	31	34	35	40	44	56	42	35	33	32
Auto Loan	41	45	44	36	39	39	44	46	61	48	40	37	33
CMBS	63	64	65	62	66	69	73	76	87	79	71	67	69
Non Agency CMBS	86	87	89	86	88	93	98	105	118	108	97	93	95
Agency CMBS	28	28	27	26	30	31	32	32	39	33	29	28	30

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Option Adjusted Spreads (OAS) Monthly changes by sector

Bloomberg Stable Income Market Index (SIMI)

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DECEMBER 31, 2025

OAS Change	2025 Dec	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	2024 Dec
Treasury	0	1	-1	0	0	0	1	-1	0	0	1	-2	2
Government-Related	2	1	-1	-1	1	-2	1	-4	0	1	1	-5	6
Agency	3	-1	-1	0	0	0	1	-3	0	2	-1	-4	6
Local Authority	2	1	0	-1	-3	-2	-1	-4	3	2	1	-3	6
Sovereign	-1	12	-2	-12	7	-11	-2	-12	9	-4	9	-11	15
Supranational	2	0	0	1	1	-1	2	-2	-3	1	0	-4	5
Corporate	-1	3	3	-4	3	-6	-4	-18	15	7	5	-3	7
Industrial	-2	3	3	-4	3	-6	-3	-18	15	6	5	-4	7
Basic Industry	-2	4	1	-4	2	-5	-7	-19	18	6	-1	-5	9
Capital Goods	-1	3	2	-4	3	-6	-1	-17	14	5	6	-4	5
Consumer Cyclical	-4	3	0	-5	2	-9	-5	-22	22	11	10	-3	7
Consumer Non-Cyclical	-2	3	1	-4	4	-5	-1	-15	11	5	5	-4	8
Energy	-2	1	3	-5	3	-6	-3	-20	20	8	4	-3	8
Technology	-1	4	6	-3	4	-4	-1	-17	13	4	6	-4	7
Transportation	-3	3	1	-6	1	-8	-4	-23	22	10	9	-6	5
Communications	-1	2	6	-3	4	-5	-7	-17	12	7	3	-2	7
Utility	-3	4	1	-4	2	-6	-2	-17	13	4	3	4	9
Electric	-2	4	1	-4	2	-6	-1	-17	13	4	3	4	10
Natural Gas	-5	7	2	-9	3	-8	-5	-20	18	5	8	5	4
Financial Institutions	-1	2	4	-4	3	-7	-5	-17	16	8	4	-4	5
Banking	0	1	3	-4	3	-8	-5	-16	15	6	3	-5	6
Brokerage	-5	1	3	-3	3	-7	-2	-17	16	6	4	-4	7
Finance Companies	-4	7	18	-2	3	-11	-6	-35	37	24	5	0	-2
Insurance	-5	6	6	-6	1	1	-7	-16	16	8	6	-2	8
REITS	-2	3	3	-3	1	-5	-6	-23	17	10	4	-1	6
Securitized	-11	1	2	-2	-1	0	-6	-10	9	5	-3	-3	1
MBS Passthrough	-15	1	1	-2	-1	1	-7	-9	8	3	-6	-4	3
ABS	-3	2	5	-3	-1	-5	-3	-13	14	7	2	2	-1
Credit Card	-3	2	2	-3	-1	-5	-4	-12	14	7	1	1	-3
Auto Loan	-4	1	8	-3	0	-4	-3	-15	14	7	3	4	2
CMBS	-1	-1	3	-4	-3	-4	-4	-11	9	8	3	-2	-5
Non Agency CMBS	-2	-1	3	-3	-5	-5	-7	-13	10	11	4	-2	-6
Agency CMBS	0	1	1	-4	-1	-1	0	-7	6	4	2	-2	-1

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Sources: Bloomberg and Aladdin.

The Bloomberg Stable Income Market Index (SIMI) represents a low-risk blend of asset classes from within the Bloomberg Capital U.S. Aggregate Bond Index, focusing on shorter maturities, and providing diversified exposure to debt from the government, credit and securitized sectors. Indices are unmanaged and do not reflect any fees or expenses. Individuals cannot invest directly in an index.

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