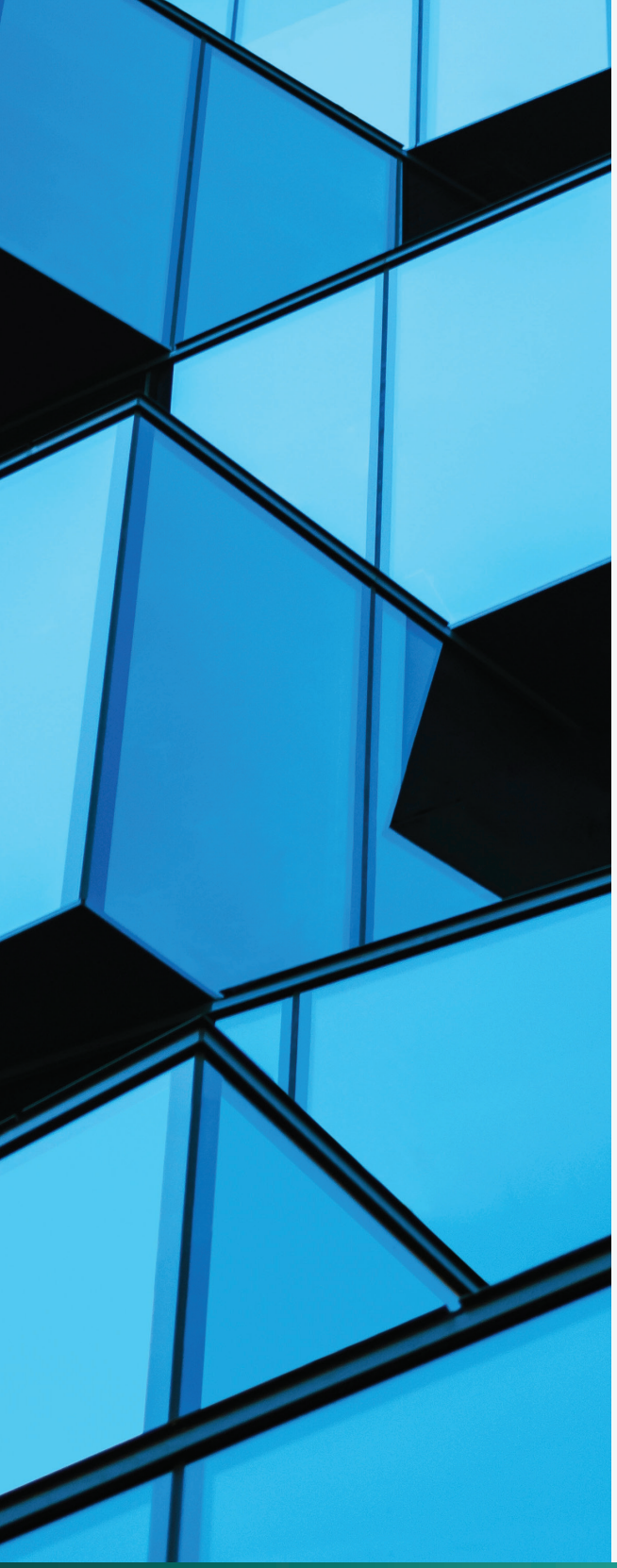


PRIVATE FIXED INCOME | Q1 2026

Private Credit Quarterly Review and Outlook

Introduction

Despite a more complex macroeconomic and geopolitical backdrop, market activity has remained robust, supported by strong issuance, sustained investor demand for long-duration assets and selective opportunities across sectors. MIM continued to deploy capital in line with its disciplined credit approach, emphasizing structural protections, relative value and long-term fundamentals amid evolving risks and opportunities.

MetLife Investment Management

Corporate Private Placements

Market Activity

- Issuance is off to a strong start.
- Cross-border issuance continues to increase, underscoring the global nature of the USPP market, with international participation.
- Issuers have shown a preference for shorter dated issuance as they avoid locking in higher rates, while investors continue to seek longer duration assets to match liabilities.

MIM Q1 2026 Investment Activity

- MIM closed 40 transactions totaling $1.9 billion at an average spread of +147 bps.
- Transactions had a weighted average life of 10.2 years, 5.55% yield and average rating of MA3.
- Over 40% of MIM's activity was sourced through proprietary transactions.

Market Outlook

- The market outlook is broadly positive. However, risks remain from macroeconomic pressures, adverse geopolitical developments, policy shifts and sector-specific credit concerns.
- Private credit headline risk has increased, driven by isolated situations rather than systemic weakness, underscoring the importance of disciplined credit selection.
- While heightened borrower and investor activity continues to underpin the market, we are exercising temporary caution in select sectors, reinforcing our selective and disciplined approach to risk.

Asset-Based Finance

Market Activity

- The asset-based finance (ABF) market has been resilient despite a more turbulent macro backdrop.
- ABF sectors showed notable resilience this quarter, with spreads holding steady despite geopolitical uncertainty, a softening labor market and elevated oil prices, underscoring ABF's defensive profile relative to broader credit markets.
- While near-term risks suggest modest spread widening amid weaker technicals and cautious sentiment, robust new issuance and stable valuations offer attractive entry points and compelling long-term relative value opportunities.

MIM Q1 2026 Investment Activity

- MIM invested $1.8 billion in total at an average spread of +224 bps.
- Transactions had a weighted average life of 5.4 years, 6.09% yield and average rating of MA1.
- We employ a rigorous strategy that emphasizes liquidity, structural risk mitigation and manager quality. Additionally, we consistently monitor spreads, issuance levels and consumer performance to ensure optimal outcomes.
- The ABF portfolio's underlying collateral has maintained strong performance, demonstrating robust credit fundamentals and showcasing the advantages of structural protections built into these investments.

Market Outlook

- ABF offers diversification from areas of direct lending facing rising redemptions, AI concerns in software portfolios and volatility in public business development companies (BDCs), which impact liquidity, valuations and systemic risk.
- Consumer credit performance in securitizations is varied but showing improvement: Unsecured consumer asset-backed securities (ABS) is solid, while auto ABS is weaker, enabling targeted investment in stronger segments.
- Tax refund season supports consumer credit, with total refunds up 9.4% and average refunds up 10.6%. Increased liquidity should help U.S. households manage debt and benefit near-term consumer ABS performance.

Infrastructure Debt

Market Activity

- Q1 2026 volumes stayed flat compared to Q1 2025 via fewer deals driven by refinancings and large-scale energy/digital projects.
- Deal count declined ~20% signaling larger project financings.
- Power and renewables remained the single largest sector by value globally with a focus on contracted renewable cash flows and grid-related investments.
- Liquefied natural gas (LNG) provided a stable source of deal flow with investor interest driven by contracted cash flows and energy security concerns.
- Digital assets (data-related infrastructure and telecoms) were among the most notable growth areas, particularly data centers, fiber and towers. MIM is working to create longer-dated, insurance capital-friendly data center financings.
- North America remains the largest region by volume, but Europe continues to show depth across transport, telecom and regulated assets.

MIM Q1 2026 Investment Activity

- MIM closed 23 transactions totaling $1.7 billion at an average spread of +197 bps.
- Transactions had a weighted average life of 9.2 years, 6.09% yield and average rating of MBaa2.
- MIM continues to leverage our international footprint with more than 50% of our investments outside the U.S.
- Activity was well diversified globally and by sector including renewables, digital (data centers & towers) and utilities.
- Infrastructure debt remains compelling, delivering attractive premiums over public bonds.

Market Outlook

- A wave of structural refinancings is expected in 2026 plus continued demand from the digital and renewables sectors.
- Structural refinancing is expected to be heavy in 2026, given typical 7-10 tenors and project finance issuances in excess of ~$300bn between 2016 and 2020.
- AI development will drive hyperscaler capex spend, and data center and digital infrastructure investment throughout 2026.
- Power continues to be the main constraint in data center development, driving additional opportunities in all areas of energy — generation (conventional & renewable), transmission & distribution and fuel supply (LNG, batteries, fuel cells).
- M&A expected to increase through the second half of 2026 as lack of distributions on paid-in (DPI) capital pressure pushes sponsors toward asset sale realizations.
- Significant investor appetite in the market for quality, long-dated maturities will make pricing competitive and require investor discipline on structures.

Disclaimer

Credit quality assessments were performed internally by MIM and have not been verified by independent sources. Any internal ratings (i.e., MetLife ratings) presented in this document were developed internally by MIM. Such ratings are not recognized ratings used by other investment managers or funds, including those investing in the sectors in which MIM invests. Other ratings, including those published by an independent credit ratings agency, may be more relevant in evaluating creditworthiness or may present the credit quality of issuers or assets in a more or less favorable manner than such internal ratings do. MIM's internal ratings are subjective; MIM has an incentive to assign internal ratings in a manner that more closely meet investor and/or yield expectations, or otherwise provides an advantage to MIM. Accordingly, such internal ratings should be viewed as one factor among other factors for evaluating creditworthiness, and you should make your own determination as to the weight you place on such internal ratings. Please contact MIM for additional information on how such ratings are derived.

This material is intended solely for Institutional Investors, Qualified Investors and Professional Investors. This analysis is not intended for distribution with Retail Investors.

MetLife Investment Management (MIM), which includes PineBridge Investments, is MetLife Inc.'s institutional investment management business. MIM is a group of international companies that provides investment advice and markets asset management products and services to clients around the world.

This document is solely for informational purposes and does not constitute a recommendation regarding any investments or the provision of any investment advice, or constitute or form part of any advertisement of, offer for sale or subscription of, solicitation or invitation of any offer or recommendation to purchase or subscribe for any securities or investment advisory services. The views expressed herein are solely those of MIM and do not necessarily reflect, nor are they necessarily consistent with, the views held by, or the forecasts utilized by, the entities within the MetLife

enterprise that provide insurance products, annuities and employee benefit programs. The information and opinions presented or contained in this document are provided as of the date it was written. It should be understood that subsequent developments may materially affect the information contained in this document, which none of MIM, its affiliates, advisors or representatives are under an obligation to update, revise or affirm. It is not MIM's intention to provide, and you may not rely on this document as providing, a recommendation with respect to any particular investment strategy or investment. Affiliates of MIM may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) of any company mentioned herein.

This document may contain forward-looking statements, as well as predictions, projections and forecasts of the economy or economic trends of the markets, which are not necessarily indicative of the future. Any or all forward-looking statements, as well as those included in any other material discussed at the presentation, may turn out to be wrong.

The various global teams referenced in this document, including portfolio managers, research analysts and traders are employed by the various legal entities that comprise MIM.

All investments involve risks including the potential for loss of principle and past performance does not guarantee similar future results.

For investors in the U.S.: This document is communicated by MetLife Investment Management, LLC (MIM, LLC), a U.S. Securities and Exchange Commission (SEC) registered investment adviser. Registration with the SEC does not imply a certain level of skill or that the SEC has endorsed the investment adviser.

For investors in the UK: This document is being distributed by MetLife Investment Management Limited ("MIML"), authorised and regulated by the UK Financial Conduct Authority (FCA reference number 623761), registered address One Angel Lane 8th Floor London EC4R 3AB United Kingdom. This document is approved by MIML as a financial promotion for distribution in the UK. This document is only intended for, and may only be distributed to, investors in the UK who qualify as a "professional client" as defined under the Markets in Financial Instruments Directive (2014/65/EU), as per the retained EU law version of the same in the UK.

For investors in the Middle East: This document is directed at and intended for institutional investors (as such term is defined in the various jurisdictions) only. The recipient of this document acknowledges that (1) no regulator or governmental authority in the Gulf Cooperation Council ("GCC") or the Middle East has reviewed or approved this document or the substance contained within it, (2) this document is not for general circulation in the GCC or the Middle East and is provided on a confidential basis to the addressee only, (3) MetLife Investment Management is not licensed or regulated by any regulatory or governmental authority in the Middle East or the GCC, and (4) this document does not constitute or form part of any investment advice or solicitation of investment products in the GCC or Middle East or in any jurisdiction in which the provision of investment advice or any solicitation would be unlawful under the securities laws of such jurisdiction (and this document is therefore not construed as such).

For investors in Japan: This document is being distributed by MetLife Investment Management Japan, Ltd. ("MIM JAPAN"), a registered Financial Instruments Business Operator ("FIBO") conducting Investment Advisory Business, Investment Management Business and Type II Financial Instruments Business under the registration entry "Director General of the Kanto Local Finance Bureau (Financial Instruments Business Operator) No. 2414" pursuant to the Financial Instruments and Exchange Act of Japan ("FIEA"), and a regular member of the Investment Management Association of Japan and the Type II Financial Instruments Firms Association of Japan. In its capacity as a discretionary investment manager registered under the FIEA, MIM JAPAN provides investment management services and also sub-delegates a part of its investment management authority to other foreign investment management entities within MIM in accordance with the FIEA. This document is only being provided to investors who are general employees' pension fund based in Japan, business owners who implement defined benefit corporate pension, etc. and Qualified Institutional Investors domiciled in Japan. It is the responsibility of each prospective investor to satisfy themselves as to full compliance with the applicable laws and regulations of any relevant territory, including obtaining any requisite governmental or other consent and observing any other formality presented in such territory. As fees to be borne by investors vary depending upon circumstances such as products, services, investment period and market conditions, the total amount nor the calculation methods cannot be disclosed in advance. All investments involve risks including the potential for loss of principle and past performance does not guarantee similar future results. Investors should obtain and read the prospectus and/or document set forth in Article 37-3 of Financial Instruments and Exchange Act carefully before making the investments.

For Investors in Hong Kong S.A.R.: MetLife Investment Management and PineBridge Investments operate through the following entities: MetLife Investments Asia Limited ("MIAL"), licensed by the Securities and Futures Commission ("SFC") for Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities, PineBridge Investments Asia Limited licensed by the SFC for Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities, and PineBridge Investments Hong Kong Limited licensed by the SFC for Type 1 (dealing in securities) and Type 9 (asset management) regulated activities. Unless otherwise stated, none of the authors of this article, interviewees or referenced individuals are licensed by the SFC to carry on regulated activities in Hong Kong S.A.R. The information contained in this document is for information purposes only and it has not been reviewed by the Securities and Futures Commission. This document may also be distributed by certain PineBridge Investments affiliates acquired by MetLife Investment Management on December 30, 2025. For additional legal and regulatory disclosures including other cross border information, please refer to https://www.pinebridge.com/en/regulatory-disclosure.

For investors in Australia: This information is distributed by MIM LLC and is intended for "wholesale clients" as defined in section 761G of the Corporations Act 2001 (Cth) (the Act). MIM LLC exempt from the requirement to hold an Australian financial services license under the Act in respect of the financial services it provides to Australian clients. MIM LLC is regulated by the SEC under US law, which is different from Australian law.

For investors in the EEA: This document is being distributed by MetLife Investment Management Europe Limited ("MIMEL"), authorised and regulated by the Central Bank of Ireland (registered number: C451684), registered address 20 on Hatch, Lower Hatch Street, Dublin 2, Ireland. This document is approved by MIMEL as marketing communications for the purposes of the EU Directive 2014/65/EU on markets in financial instruments ("MiFID II"). Where MIMEL does not have an applicable cross-border licence, this document is only intended for, and may only be distributed on request to, investors in the EEA who qualify as a "professional client" as defined under MiFID II, as implemented in the relevant EEA jurisdiction. The investment strategies described herein are directly managed by delegate investment manager affiliates of MIMEL. Unless otherwise stated, none of the authors of this article, interviewees or referenced individuals are directly contracted with MIMEL or are regulated in Ireland. Unless otherwise stated, any industry awards referenced herein relate to the awards of affiliates of MIMEL and not to awards of MIMEL.

05-28 5440039-[MIM Europe, MIAL (HK), MIM Japan, MIML (UK), MIM, LLC (US)]

MetLife Investment Management

© 2026 MetLife Services and Solutions, LLC