Treasury yields traded in a tight range this week, and closed marginally higher across the curve¹
  - Month-to-date, the 10-year rate rose 10bps to 1.55%, and the 30-year rate rose 8bps to 2.26%
  - On Wednesday, the Federal Reserve (Fed) released minutes from the July policy meeting, which were slightly more dovish than expected
    - Fed members highlighted the healthy and improving US labor market, but reiterated concerns about weak inflation
  - Investment-grade corporate supply slowed this week, but remains on a record pace for August, which is historically a quiet month
    - Month-to-date primary issuance exceeded $80 billion, which is almost double the amount of supply that priced in August last year²
  - Investment-grade corporate spreads tightened modestly across all sectors as trading activity slowed and volatility remained muted³
    - Oil prices rebounded and reached their highest level in five weeks, driving energy spreads 6bps tighter
  - In the commercial mortgage-backed security (CMBS) market, depressed issuance and a robust appetite for the high-quality sector drove positive excess returns
    - Year-to-date supply is down 21% relative to this time in 2015
  - Municipal bond performance was range-bound on the week amidst the bounce around in Treasury rates³
    - Muted new supply met healthy demand as positive inflows persisted, supporting the strong market technical


*Excess returns are the curve-adjusted excess return of a given index relative to a term structure-matched position in Treasurys.

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