• The healthcare bill was pulled from the House floor on Friday, and focus shifted to potential future energy policy changes and tax reform
  • Treasury rates were mostly unchanged on the news, with the long-end declining 1bp¹
• US consumer confidence improved substantially in March, rising to its highest level since December 2000, signaling an optimistic tone heading into the second quarter¹
• The Case-Shiller Home Price Index rose for a third consecutive month, exceeding expectations and indicating further improvement of the housing market¹
• Oil prices rose $3 to $50 a barrel over the course of the past week, a potential positive catalyst for tighter industrial spreads going forward¹
• Corporate issuance slowed relative to the first half of March, as issuance totaled roughly $16 billion, in-line with the prior week²
  • Spreads in the corporate market moved mostly sideways week-over-week and remain 2bps wider month-to-date at 117bps¹
• Despite heavy supply, securitized bonds have outperformed the broader market month-to-date¹
  • Strong demand and liquidity in the sector offset robust primary issuance, as asset-backed security spreads rallied 7bps on the month
• Municipal supply is down almost 14% year-over-year, causing a food-fight for bonds and pushing primary and secondary market spreads tighter¹

Sources: 1. Bloomberg Barclays  2. Citigroup
*Excess returns are the curve-adjusted excess return of a given index relative to a term structure-matched position in Treasuries.
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