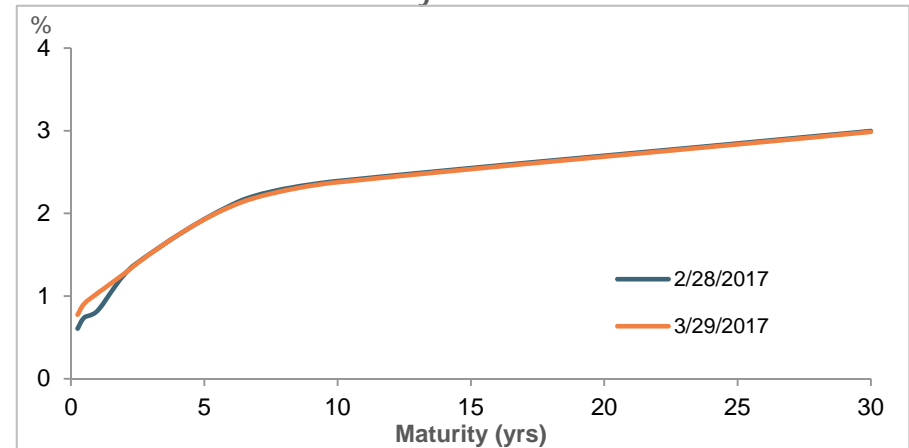




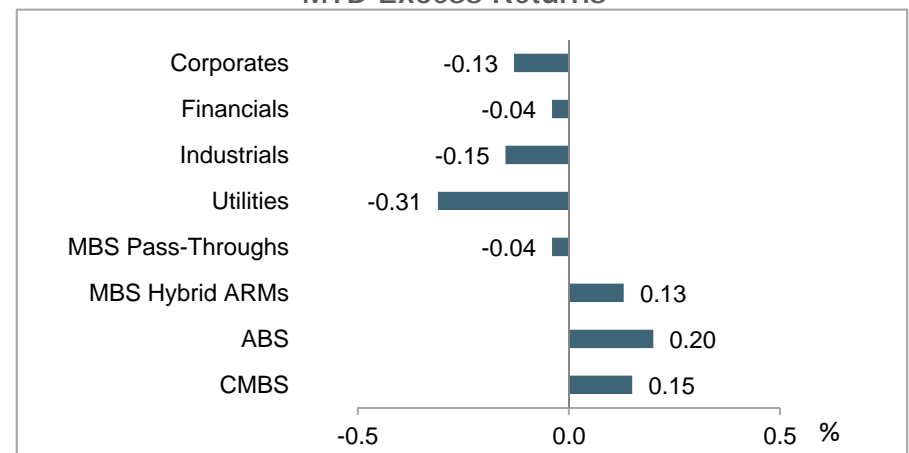
- The healthcare bill was pulled from the House floor on Friday, and focus shifted to potential future energy policy changes and tax reform
  - Treasury rates were mostly unchanged on the news, with the long-end declining 1bp<sup>1</sup>
- US consumer confidence improved substantially in March, rising to its highest level since December 2000, signaling an optimistic tone heading into the second quarter<sup>1</sup>
- The Case-Shiller Home Price Index rose for a third consecutive month, exceeding expectations and indicating further improvement of the housing market<sup>1</sup>
- Oil prices rose \$3 to \$50 a barrel over the course of the past week, a potential positive catalyst for tighter industrial spreads going forward<sup>1</sup>
- Corporate issuance slowed relative to the first half of March, as issuance totaled roughly \$16 billion, in-line with the prior week<sup>2</sup>
  - Spreads in the corporate market moved mostly sideways week-over-week and remain 2bps wider month-to-date at 117bps<sup>1</sup>
- Despite heavy supply, securitized bonds have outperformed the broader market month-to-date<sup>1</sup>
  - 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 tighter<sup>1</sup>

Treasury Yield Curve<sup>1</sup>



Maturity	2-year	5-year	10-year	30-year
3/29/2017	1.27	1.93	2.38	2.99
MTD Change	0.01	0.00	-0.01	-0.01

MTD Excess Returns<sup>1\*</sup>



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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