• US Treasury rates rose across the curve this week amid positive economic signals and heightened equity market volatility¹
  • Rates moved in tandem across most of the curve, as the 5- through 30-year points migrated 6 basis points higher
• March auto sales came in well above expectations and pushed estimated Q1 GDP slightly higher to 1.8%¹
• John Williams, the current Federal Reserve Bank of San Francisco president, was selected as the next president of the Federal Reserve Bank of New York, a much more prominent role
  • The market viewed the move positively given Williams’ prior voting record, and expects that the Federal Open Market Committee’s gradual normalization of monetary policy will continue
• Despite widening in sympathy with equity market volatility during the first half of the week, investment-grade corporate spreads ended the week unchanged at 109 basis points¹
• Corporate supply reached $12.5 billion for the week, in-line with both weekly and monthly estimates; year-to-date supply is down 14% compared to 2017²
• Commercial mortgage-backed security (CMBS) spreads remained pressured by a robust new issue pipeline and secondary market supply due to a rotation into short corporate bonds by investors
• Municipals outperformed Treasuries by a wide margin during the week, as lighter supply continues to be a positive technical
  • The 10-year municipal/Treasury ratio moved 3% lower during the week, ending at 88%¹