• Initial jobless claims came in slightly below expectations at 215,000, while the four-week moving average fell to its lowest level since 1969 at 213,500¹
  - Employment data continued to point to a strong labor market, with unemployment hovering around 4%
• Treasury yields rose across the curve during the week, especially in the belly of the curve, where yields jumped 9-10bps¹
  - After rising 9bps this week, the 10-year Treasury yield closed at 3.10%, its highest level since 2011
  - The long end of the curve continued to flatten, and the spread between 30-year yields and 10-year yields closed at 12bps
• Corporate bond markets were active, and heavy supply continued this week, as investment-grade issuers priced approximately $30 billion²
  - The supply highlight of the week was an $8 billion deal across six tranches to fund Keurig Green Mountain’s acquisition of Dr. Pepper Snapple Group
• Investment-grade corporate spreads were resilient in the face of rising rates and equity market weakness, tightening 3bps to close at 108bps¹
  - High-yield spreads followed suit, tightening 6bps, to 331bps
• Commercial-mortgage backed securities (CMBS) outperformed both corporates and Treasuries, benefiting from strong demand¹
• Municipals performed roughly in line with Treasuries during the week as supply remained below long-term averages¹
  - The 10-year municipal/Treasury ratio traded in a 1bp range before settling unchanged on the week at 81%

*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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