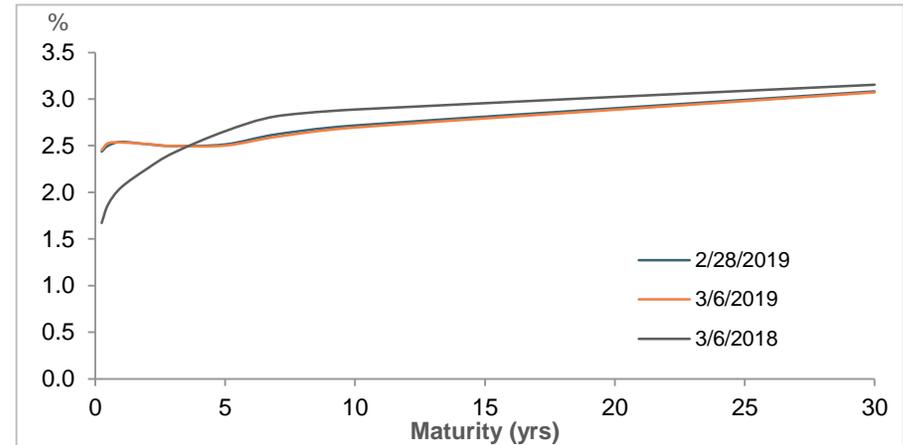




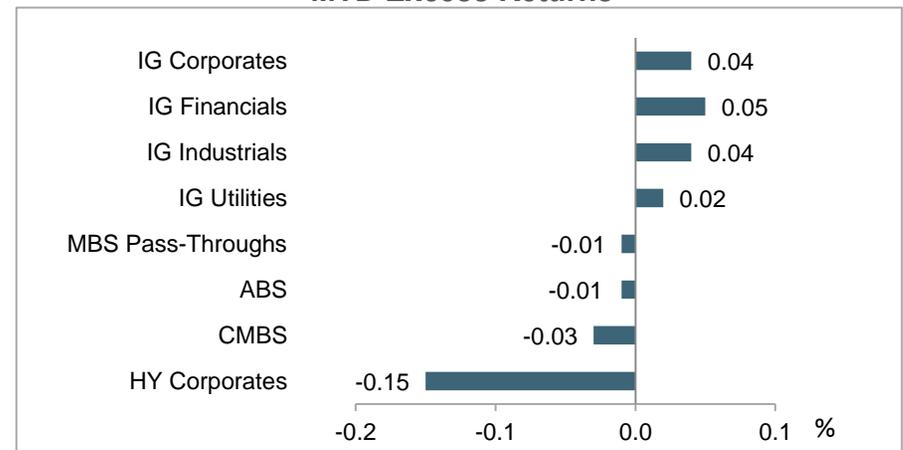
- Treasury yields oscillated throughout the week and ended flat to slightly down, following news of a European Central Bank stimulus and despite economic data suggesting the US economy is on solid footing
 - February’s ISM nonmanufacturing index rebounded to 59.7, a level consistent with solid growth in the services sector, following a dip in January that was likely due to the partial federal government shutdown
 - The 10-year Treasury yield has been range-bound so far this year, as yields have fluctuated within a 23bps range
- Corporate issuers continued to flood the primary market amid attractive funding levels and solid demand; investment-grade issuers priced over \$34 billion, surpassing estimates of \$25 to \$30 billion
 - The influx of supply pushed the year-to-date total to \$232 billion, almost 8% ahead of last year’s pace
- Investment-grade corporate spreads proved resilient amid the wave of supply and were unchanged at 121bps
- The high-yield corporate new issue market gathered steam as the week progressed, which applied upward pressure on spreads
 - High-yield issuance totaled over \$2 billion month-to-date and spreads moved wider by 7bps to close at 386bps
- Securitized sectors struggled to keep pace with Treasuries, as heavy supply outweighed investor demand
 - Issuance of asset-backed securities (ABS) picked up after last week’s industry conference, and brought year-to-date supply to \$46 billion, just below last year’s pace
- Muni/Treasury ratios bounced off record lows, and municipals underperformed Treasuries, as investors prepared for a heavy month of supply; muni issuance in March has averaged \$33 billion since 2011

Treasury Yield Curve



Maturity	2-year	5-year	10-year	30-year
3/6/2019	2.52	2.50	2.69	3.07
MTD Change	0.00	-0.01	-0.03	-0.01

MTD Excess Returns



Sources: Bloomberg Barclays, Bloomberg and 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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