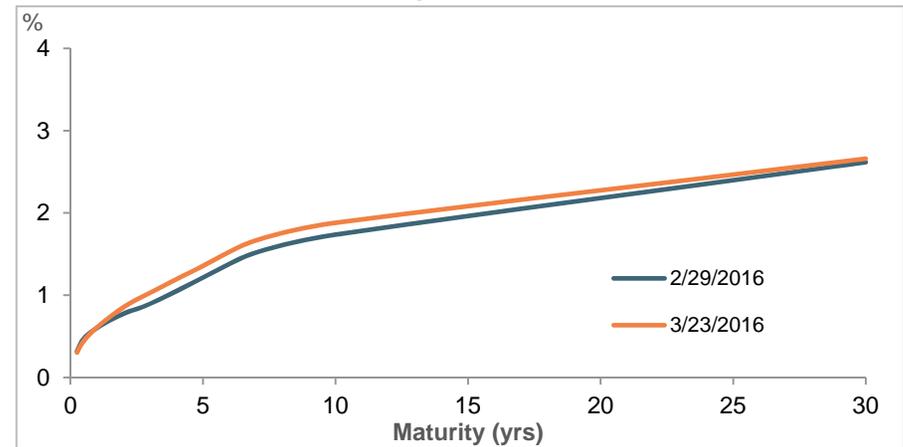




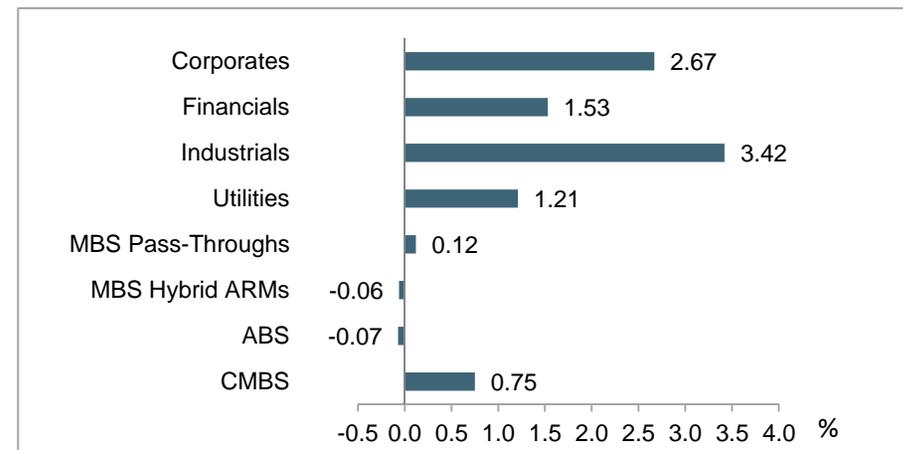
- In the US, new home sales grew by 2% in the month of February, supporting the argument that the domestic economy remains stable despite global economic concerns¹
 - Limited supply met strong demand pushing buyers into new home purchases and driving up median sales prices
- After selling off earlier in the month, Treasuries fought back this week as the consumer sentiment was weakened by global uncertainty
- The corporate new issue market was very quiet during the holiday-shortened week, with only \$10 billion in supply versus the \$34 billion that came to market last week³
 - The most significant debt deals of the week included Citigroup Inc., Sysco, and FedEx Corp., each offering between \$2-2.5 billion of debt
- Corporate spreads continued to outperform this week adding 64bps in excess returns relative to Treasuries week-over-week ²
 - After starting the month at a spread of 210bps, the industrials sector proved to be a bright spot in the corporate market recovery and rallied to 168bps as of last night
- In CMBS, the low supply environment helped the sector continue its rally in correlation with the macro risk-on trade
- Municipal trading flows saw its fourth straight week of improvement as a seasonally large new-issue calendar and fund inflows inspired strong secondary activity¹

Treasury Yield Curve¹



Maturity	2-year	5-year	10-year	30-year
3/23/2016	0.85	1.36	1.88	2.66
MTD Change	0.08	0.14	0.14	0.04

MTD Excess Returns^{2*}



Sources: 1. Bloomberg 2. Barclays 3. 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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