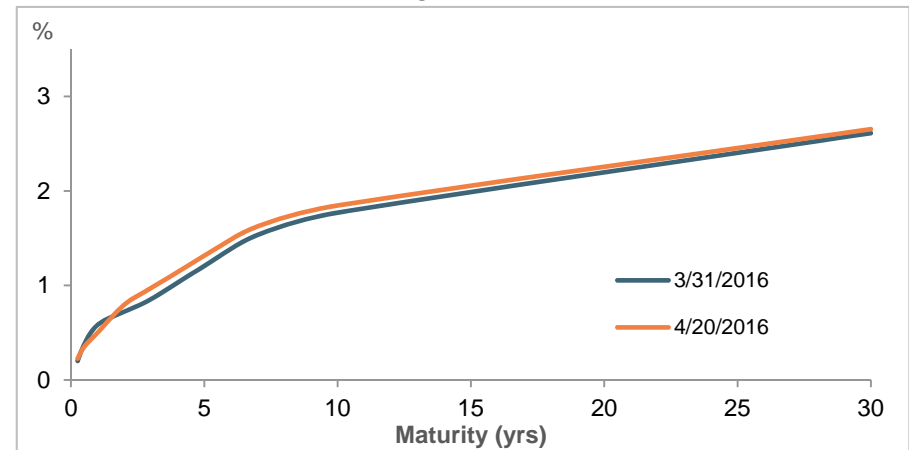




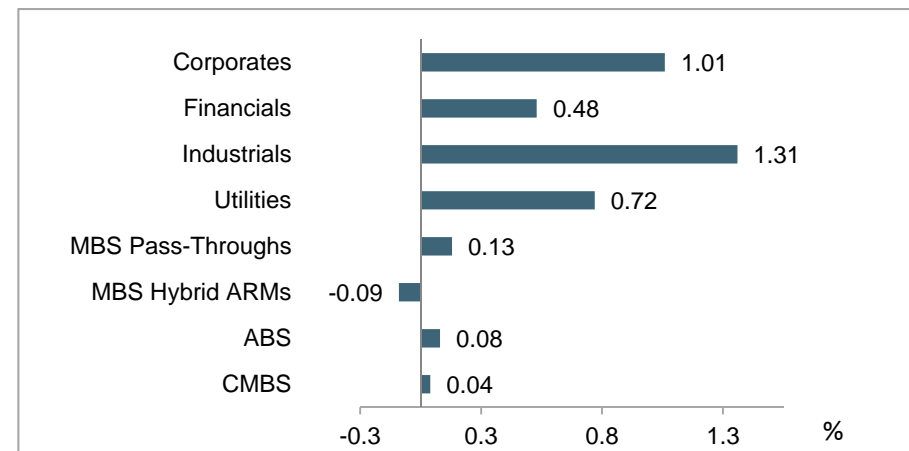
- US existing home sales grew by 5.1% annually to a rate of 5.3 million sales-per-year, as consumers continue to take advantage of low borrowing costs¹
 - The combination of limited housing supply and low interest rates pushed the median sale price up 5.7% year-over-year
- Despite trending lower for most of the year, US Treasury yields continue to be attractive on a relative basis versus other developed economies¹
 - The 10-year US Treasury offers a yield of 1.85% versus the 10-year German Bund, which yields a mere 0.153%
- More than 100 companies in the S&P 500 have reported first quarter earnings with average earnings growth of 7.54%, which is slightly better than analysts' expectations¹
 - The basic materials sector has posted an average earnings decline of 23.92%, as the sector continues to suffer from its strong correlation to commodities
- Post earnings announcements, multiple large financial institutions came to market with debt deals, including Bank of America, Wells Fargo & Co, Morgan Stanley, and Goldman Sachs Group Inc.
- Strong fundamentals prevailed in the commercial mortgage-backed securities (CMBS) market, as spreads rallied tighter, recovering from last week's general risk-off sentiment
- In the municipal bond market, a lack of new issue supply and positive net cash flows, led to a competitive environment for secondary trading and tighter spreads

Treasury Yield Curve¹



Maturity	2-year	5-year	10-year	30-year
4/21/2016	0.80	1.31	1.85	2.65
MTD Change	0.07	0.11	0.08	0.04

MTD Excess Returns^{2*}



Sources: 1. Bloomberg 2. Barclays

*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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