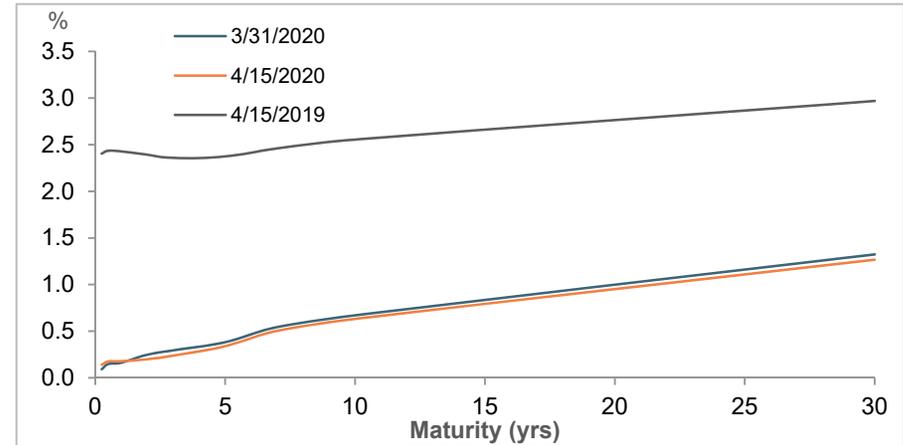




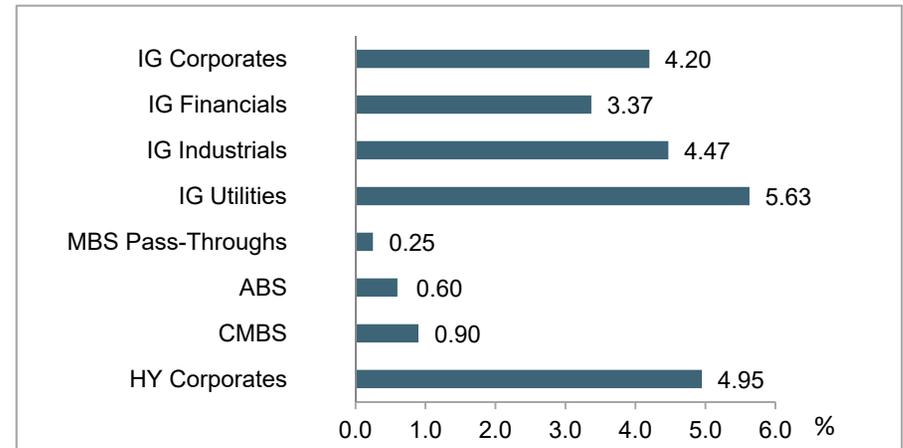
- Markets reacted positively to additional Federal Reserve (Fed) action, an agreement to cut oil production, and signs of a potential peak in the US coronavirus outbreak; however, sentiment tempered as economic data shed further light on the impact of lockdowns on the US economy
 - US industrial production, a broad measure of output from factories, mines, and utilities, fell 5.4% in March, the worst monthly performance since 1946; retail sales were down 8.7% last month, the biggest decline on record
 - Initial jobless claims remained elevated at 5.2 million, raising the total to over 20 million in the last four weeks
 - The 10-year Treasury yield fell 14bps week-over-week; yields were generally down 5 to 15bps across the curve
- Heavy supply of corporate issuance continued during the week, as investment-grade issuers priced over \$46 billion; JP Morgan priced \$10 billion, the largest bank transaction on record
 - Demand remained strong as deals were generally heavy oversubscribed; corporate spreads tightened 44bps week-over-week from 253bps to 209bps
 - High yield issuers priced over \$5 billion, buoyed by the Fed’s announcement that it would buy some speculative-grade bonds; spreads fell 131bps week-over-week, from 871bps to 740bps
- The securitized sector saw its first asset-backed security (ABS) issuance in over a month, as General Motors Financial priced an \$800 million bond backed by prime auto loans
 - The deal was almost 10x over-subscribed, which indicated strong investor demand for select ABS
- Municipal funds again saw outflows, as investors withdrew \$2.5 billion; outflows since the beginning of March total over \$45 billion

Treasury Yield Curve



Maturity	2-year	5-year	10-year	30-year
4/15/2020	0.20	0.34	0.63	1.27
MTD Change	(0.05)	(0.04)	(0.04)	(0.05)

MTD Excess Returns



Sources: Bloomberg Barclays, Bloomberg, and Bloomberg Index Services Limited

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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