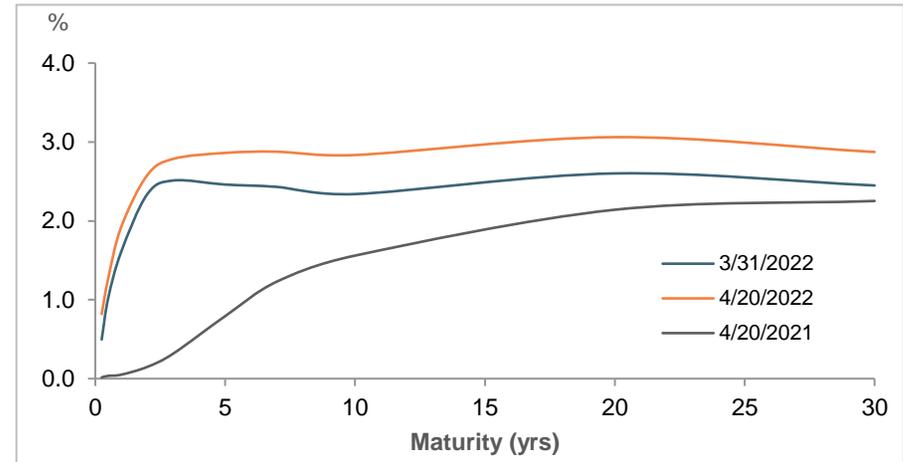




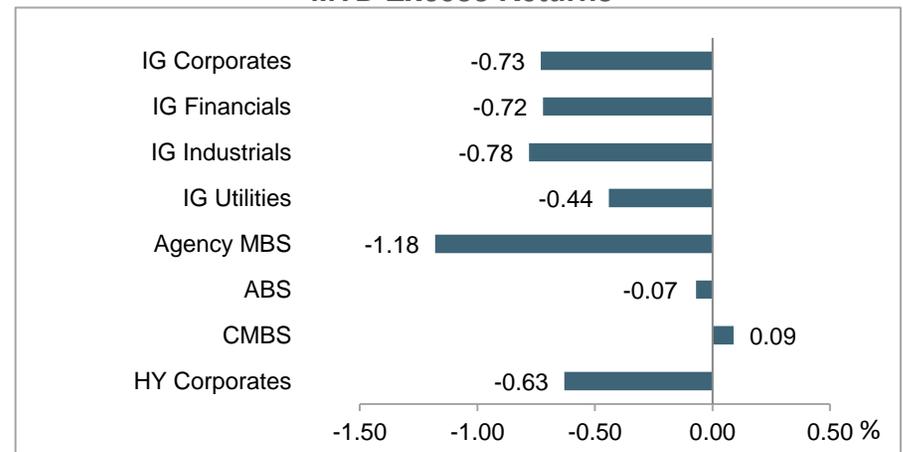
- Equity markets rose following generally strong economic data and earnings, showcasing that companies have largely been able to grow despite tightening monetary policy and high inflation; meanwhile, Treasury yields continued to climb as investors fully priced in 50bp increases at the next two Federal Open Market Committee meetings
  - The Federal Reserve's (Fed) Beige Book noted a moderate pace of economic growth in the early spring led by the service sector
  - While the overall outlook remains optimistic, districts noted an increase in downside risks, such as Russia's invasion of Ukraine
- Though the 10-year Treasury yield pulled back after approaching 3% earlier in the week, it resumed its climb to 2.95% amid speculation that Fed Chairman Jerome Powell may reinforce a 50bp increase on a panel discussion today hosted by the International Monetary Fund
- Investment grade issuance topped \$55 billion, higher than projections of \$40 billion and dominated by large money center banks
  - Four of the six large money center banks tapped the new issue market, totaling over \$40 billion
  - Corporate spreads widened 2bps, from 123bps to 125bps, on the heavy supply
- After pausing last week, two high yield issuers returned to the primary market and priced less than \$1 billion
  - The new issue calendar may continue to be light given most borrowers have refinanced in the last two years
  - The yield of the Bloomberg High Yield Index rose 11bps, from 6.46% to 6.57%; spreads tightened 7bps, from 354bps to 347bps
- Agency mortgage-backed securities (MBS) underperformed other securitized sectors as investors await the Fed to begin balance sheet reductions next month
- Municipal yields rose in tandem with Treasury rates, with the 10-year AAA GO yield closing at 2.64%, the highest level since March 2020

### Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
4/20/2022	2.58	2.86	2.84	3.06	2.87
MTD Change	0.24	0.40	0.50	0.46	0.42

### MTD Excess Returns



Sources: 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. The views contained in this report are those of IR+M and are based on information obtained by IR+M from sources that are believed to be reliable but IR+M makes no guarantee as to the accuracy or completeness of the underlying third-party data used to form IR+M's views and opinions. This report is for informational purposes only and is not intended to provide specific advice, recommendations, or projected returns for any particular IR+M product. No part of this material may be reproduced in any form, or referred to in any other publication, without express written permission from Income Research + Management. "Bloomberg®" and Bloomberg Indices are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the index (collectively, "Bloomberg") and have been licensed for use for certain purposes by IR+M. Bloomberg is not affiliated with IR+M, and Bloomberg does not approve, endorse, review, or recommend the products described herein. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to any IR+M product.