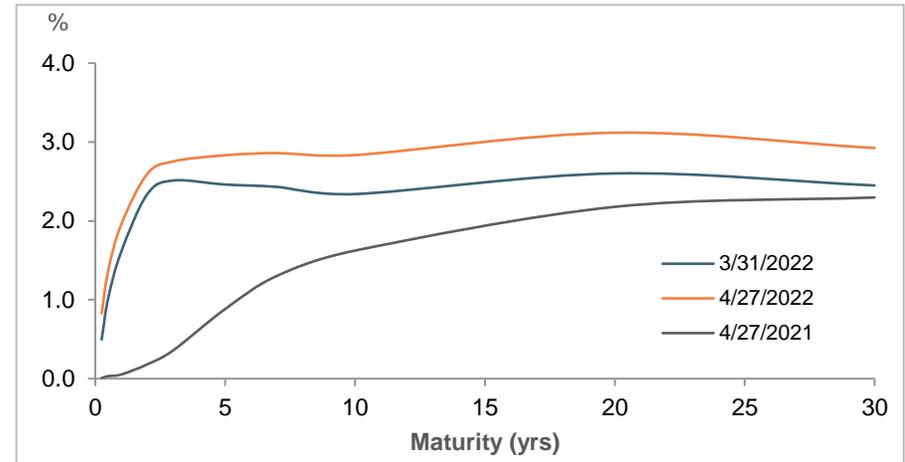




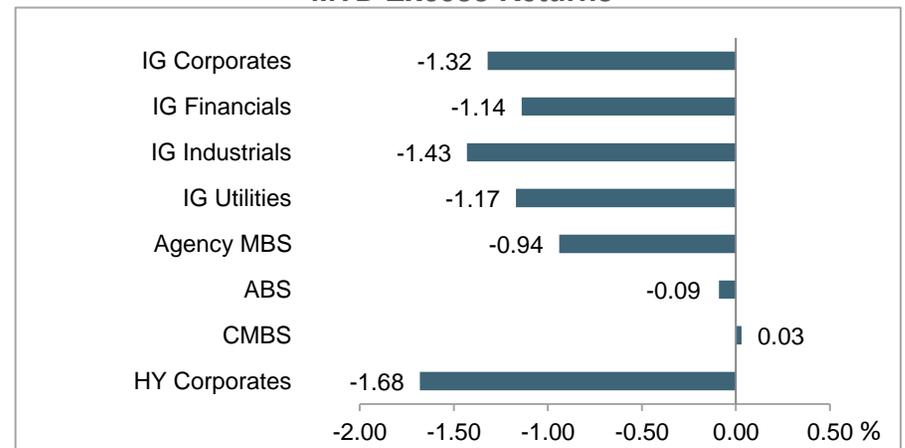
- Escalating tensions between the West and Russia, coupled with growing concern over the impact of renewed Covid lockdowns in China, weighed on risk sentiment; however, markets reacted favorably to mixed economic data later in the week
 - First quarter US real GDP contracted at an annualized rate of 1.4%; while a surge in imports and weaker inventory growth detracted, consumer and business demand remained solid, as evidenced by a 2.7% increase in personal consumption
- Despite the surprisingly negative GDP print, markets expect the Federal Reserve (Fed) will be undeterred in hiking rates to combat inflation given the underlying economic strength
 - Fed fund futures are pricing in 50bp hikes at each of the next four Fed meetings, with an expected rate of 2.75% by year end
 - The 10-year Treasury yield, experienced significant volatility throughout the week, ranging from 2.72% to 2.91%; it ultimately closed 1bp lower at 2.83%
- Many investment grade issuers opted to pull deals on the volatile market conditions; supply of \$9 billion was well-shy of a projected \$20 billion, and the issuers that did price paid heavier new issue concessions
 - Despite the light supply, corporate spreads widened 8bps to 133bps on the weaker market tone
- The high yield primary market saw \$4 billion price across just two issuers; rising yields and the risk-off mood has kept many issuers on the sidelines, and month-to-date issuance of \$11 billion is the slowest April since 2009
 - The yield of the Bloomberg High Yield Index rose 26bps to 6.83%, the highest since July 2020; spreads increased 28bps to 375bps
- Supply in commercial mortgage-backed securities (CMBS) remained robust; over \$52 billion has priced year-to-date, 54% ahead of last year's pace
- Investors continued to pull money out of municipal bond mutual funds and ETFs, which experienced their 14th consecutive week of outflows

Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
4/27/2022	2.59	2.83	2.83	3.12	2.92
MTD Change	0.25	0.37	0.49	0.52	0.47

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.