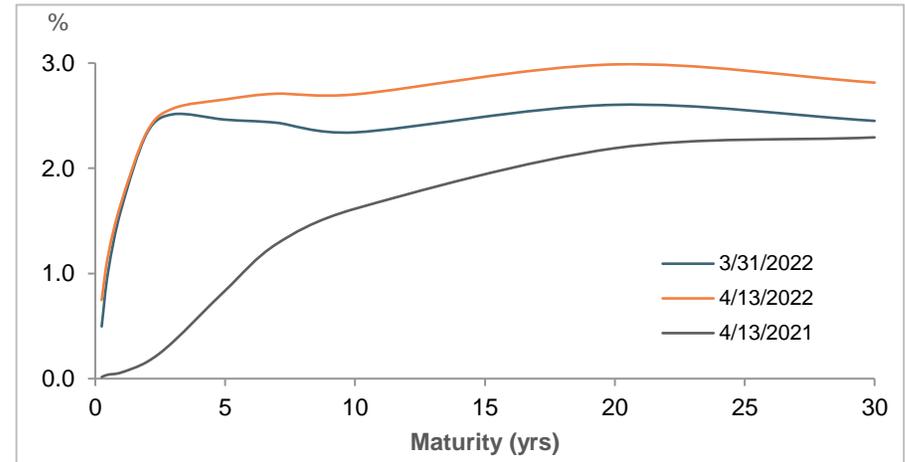




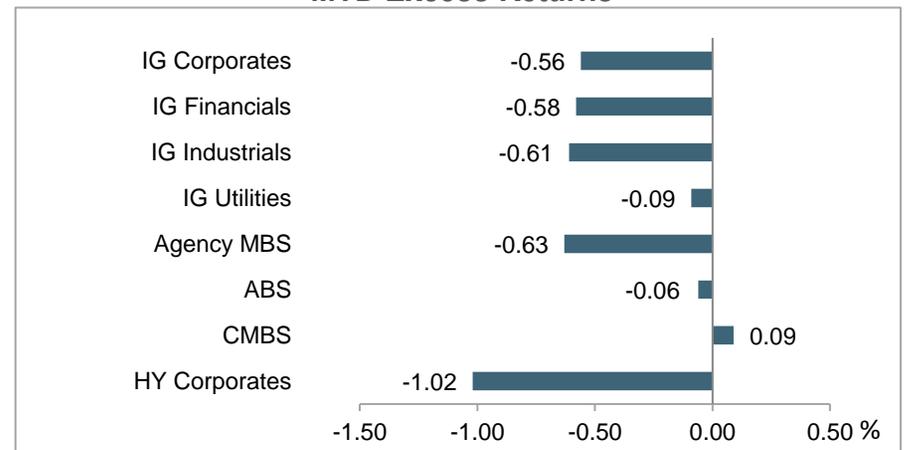
- Risk assets sold off and Treasury yields continued a steady ascent during the holiday-shortened week following a higher-than-expected increase in inflation
 - March CPI came in at 8.5% year-over-year, higher than the expected 8.4%, and the fastest increase since December 1981
 - Increases in energy, food, and shelter indices were the largest contributors, with gasoline and fuel rising 48% and 70%, respectively
 - Core CPI, which excludes food and energy, rose 6.5%, which was the hottest reading since August 1982
 - Following the CPI release, federal funds futures are now showing over a 90% probability of a 50bp increase at the Federal Reserve’s (Fed) meeting next month
- Investment grade issuers priced roughly \$18 billion, which was in line with the higher end of projections, and led by Amazon’s surprise deal on Monday
 - Although new issue concessions continue to climb higher, corporate spreads widened 10bps, from 113bps to 123bps as the threat of rising inflation gave investors pause
- High yield issuers refrained from tapping the primary market amid the continued volatility
 - Investors pulled over \$2 billion from the two largest high yield exchanged-traded funds (ETFs) over the past five trading sessions
 - The yield of the Bloomberg High Yield Index rose 20bps, from 6.26% to 6.46%; spreads rose 27bps, from 327bps to 354bps
- Issuance in asset-backed securities (ABS) was heavy for the week, with total supply reaching over \$90 billion so far
- Municipal issuers have sold about \$20 billion of taxable municipal bonds year-to-date, approximately a 39% decrease from last year’s pace amid the rising rates

Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
4/13/2022	2.35	2.65	2.70	2.99	2.81
MTD Change	0.01	0.19	0.36	0.39	0.36

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.