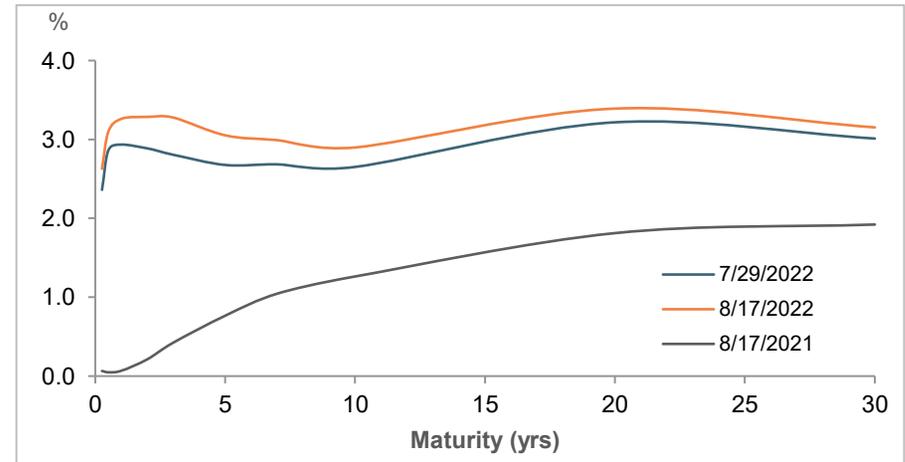




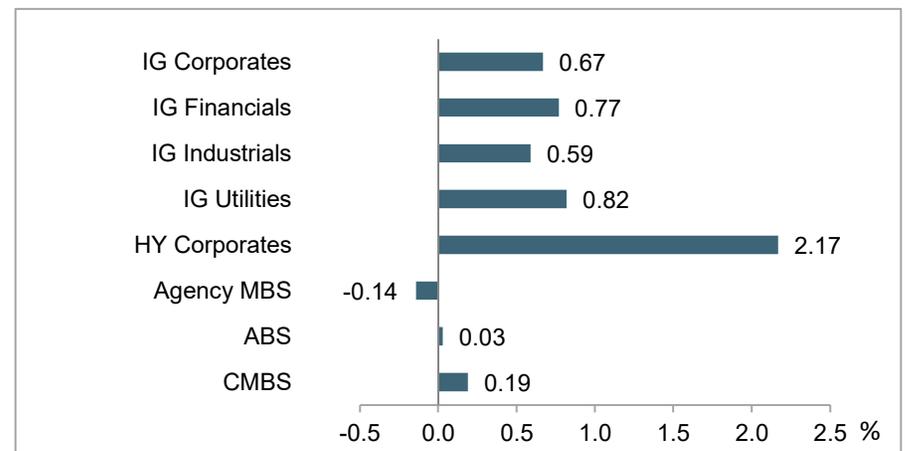
- Minutes from the July Federal Open Market Committee (FOMC) meeting noted Fed officials recognized the risk of overtightening and agreed that slowing rate hikes "at some point" may be necessary
 - Front-end yields declined slightly following FOMC minutes, but the 2-year closed 3bps higher day-over-day at 3.29%
 - The 2-year and 10-year Treasury yield inversion stands at 39bps compared to our last report of 43bps
- US July retail sales were flat month-over-month, fueled largely by declining gasoline prices
- US homebuilder sentiment dropped for the eighth consecutive month to 49, the worst since 2007, as borrowers contend with record home prices and rising mortgage rates
- Investment grade corporate bond issuance topped \$100 billion so far in August, which is only the third time August supply has surpassed that level
 - Despite heavy supply, spreads are 10bps tighter month-to-date at 134bps
- The high-yield market saw \$5 billion in new supply week-to-date from six issuers, the busiest in more than two months
 - The yield on the Bloomberg High Yield Index closed 9bps higher week-over-week at 7.58%; spreads widened only 1bp to 419bps
- Commercial mortgage-backed securities (CMBS) outperformed other securitized sectors; year-to-date issuance stands above \$85 billion, a 7% year-over-year increase
- Tax-exempt municipal supply is expected to pick up over the next 30 days as issuers plan to bring over \$15 billion in new debt; the 10-year muni/Treasury ratio rose 2% to close at 83%

Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
8/17/2022	3.29	3.05	2.90	3.39	3.15
MTD Change	0.40	0.37	0.25	0.17	0.14

Month-to-Date 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.