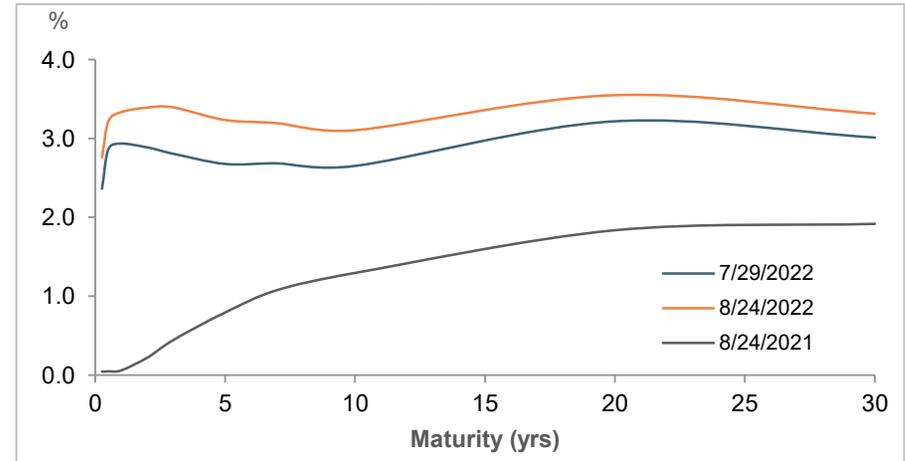




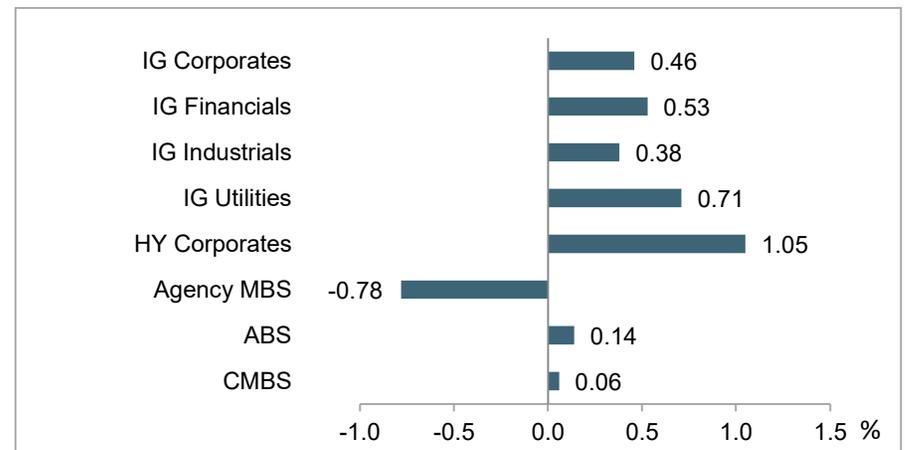
- Markets digested soft economic data while awaiting comments from Federal Reserve (Fed) officials from Jackson Hole
 - Services and Manufacturing PMIs fell in August for the second consecutive month, suggesting inflation and tighter financial conditions may be impacting demand
 - Second quarter annualized GDP fell 0.6%, slightly better than expectations of -0.7%
 - Initial jobless claims fell 2,000 to 243,000, and continuing claims declined 1%, signaling strength in the tight labor market
- Treasury yields rose broadly across the curve as investors anticipated hawkish comments from Fed officials
 - Fed Chair Powell is expected to speak on Friday and reiterate the Fed's commitment to fighting inflation while downplaying the chances of cutting rates in 2023
 - The 10-year Treasury yield rose 21bps week-over-week to 3.11%, surpassing 3% for the first time since mid-July, while the difference between the 2-year and 10-year Treasury contracted to 29bps
- Investment-grade corporate issuance slowed this week with roughly \$1 billion of supply; spreads widened 4bps week-over-week to close at 138bps
- There was no high-yield issuance this week and month-to-date issuance remained at \$8 billion; spreads widened 28bps, from 419bps to 447bps
- Agency mortgage backed-securities (MBS) underperformed amid weak technicals and economic releases; mortgage applications fell 1.2%, while new home sales dropped 12.6% month-over-month
- Municipals outperformed Treasuries and the 10-year muni/Treasury ratio fell from 83% to 82%

Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
8/24/2022	3.39	3.23	3.11	3.55	3.31
MTD Change	0.50	0.55	0.46	0.33	0.30

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.