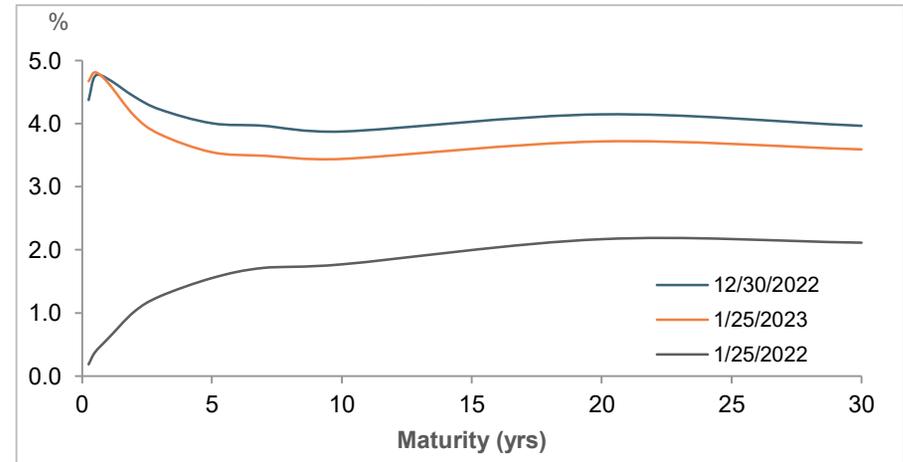




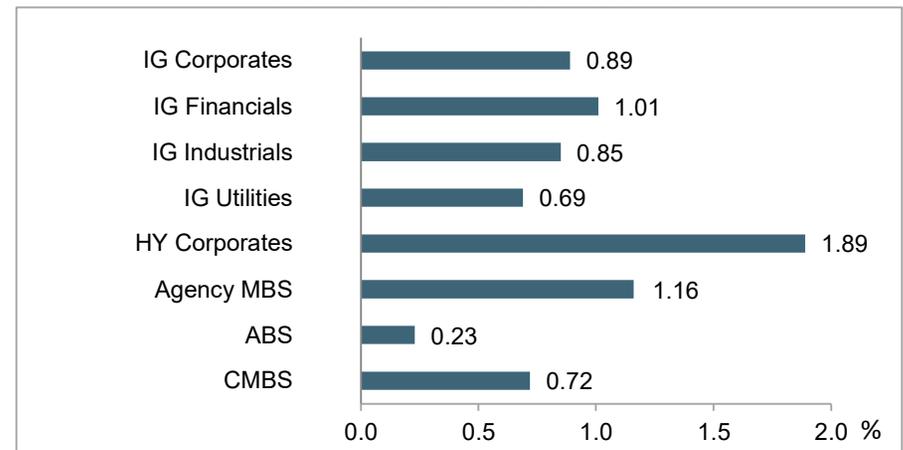
- Investor demand for fixed income remained strong this week despite mixed corporate earnings and economic data
  - 4Q GDP slowed to an annualized rate of 2.9%, down from 3.2% in 3Q, suggesting momentum is slowing
  - Personal consumption, a main driver of economic growth, grew 2.1%, missing estimates of 2.9%, highlighting waning demand
- Treasury yields increased across the curve, as investors favored higher-risking fixed income, but a solid 5-year Treasury auction showed there was still appetite for Treasuries
  - The auction yield of 3.530% was well-below the 3.554% trading level prior to auction
- Investment-grade corporate issuance totaled roughly \$26 billion, surpassing the high-end of estimates ranging from \$20 to 25 billion, with Financials accounting for more than 80% of all debt issued
  - Investor demand was robust as new issue concessions were minimal and order books were several times oversubscribed
  - Investment-grade spreads tightened 1bp week-over-week, from 123bps to 122bps, the tightest level since mid-April
- The high-yield corporate market priced another \$3 billion of supply this week; year-to-date issuance totals almost \$15 billion, below last year's pace of \$18 billion
  - The yield of the Bloomberg High Yield Index rose 13bps week-over-week to 8.16%, while spreads widened 8bps to 424bps
- The asset-backed securities (ABS) market priced another \$5 billion of issuance, bringing year-to-date issuance to almost \$19 billion
- January is on pace to be the lightest month of muni issuance since 2018 as issuers hope for lower rates; only \$19 billion has been issued this month, down 19% from this time last year

### Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
1/25/2023	4.13	3.55	3.44	3.72	3.60
MTD Change	-0.30	-0.46	-0.43	-0.43	-0.37

### 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.