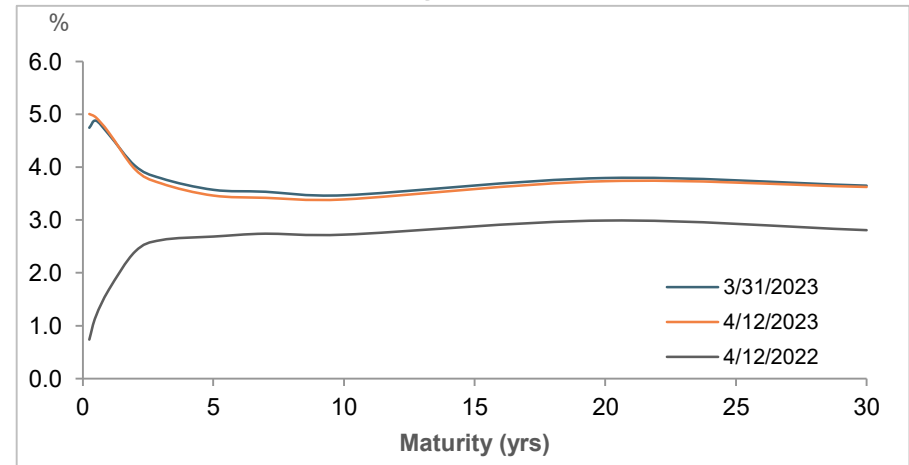




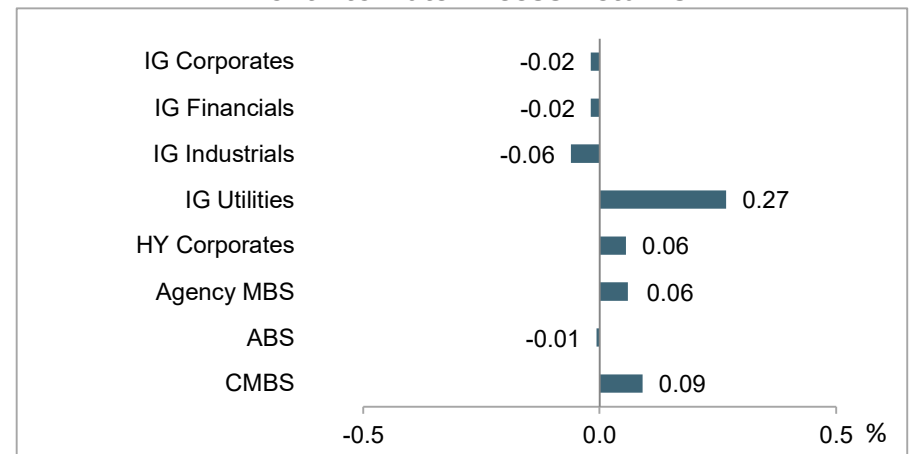
- March inflation data showed a decline in overall prices year-over-year, though some components of inflation remain elevated
 - CPI increased 0.1% month-over-month in March, below estimates; Core CPI increased 0.4%, as expected
 - Headline PPI, a measure of wholesale prices, lagged estimates in March, decreasing 0.5%, led by a drop in gas prices
- Messaging from policymakers was mixed, as Treasury Secretary Janet Yellen shrugged off a potential economic downturn; however, FOMC Minutes from March showed Federal Reserve (Fed) officials anticipate a mild recession coming in 2023
 - Treasury yields initially fell on Wednesday after March's CPI print before recovering later in the session, leaving yields higher across the curve week-over-week; the 10-year Treasury yield climbed 8bps to 3.39%
- Only six new investment-grade borrowers braved the primary market this week, pricing \$11 billion, below the \$15 billion that dealers expected
 - Investment-grade corporate spreads tightened 1bp to 139bps
- High-yield borrowers accessed the primary markets ahead of the CPI print, issuing \$2 billion in new debt; year-to-date issuance is 5% higher than at this point last year, totaling \$49 billion
 - High-yield spreads contracted 19bps to 459bps, while yields fell 6bps to 8.48%
- Asset-backed securities (ABS) underperformed other securitized sectors week-over-week; year-to-date, roughly \$75 billion has been issued, 16% lower than at this time in 2022
- Lack of issuance supported municipals which outperformed Treasuries during the week; the 10-year municipal/Treasury ratio fell 4% to 61%

Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
4/12/2023	3.96	3.46	3.39	3.74	3.63
MTD Change	-0.07	-0.11	-0.08	-0.06	-0.03

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.