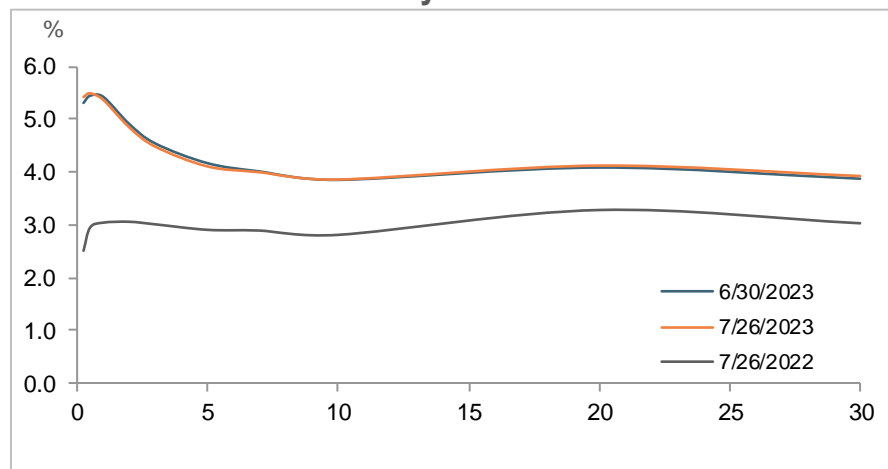




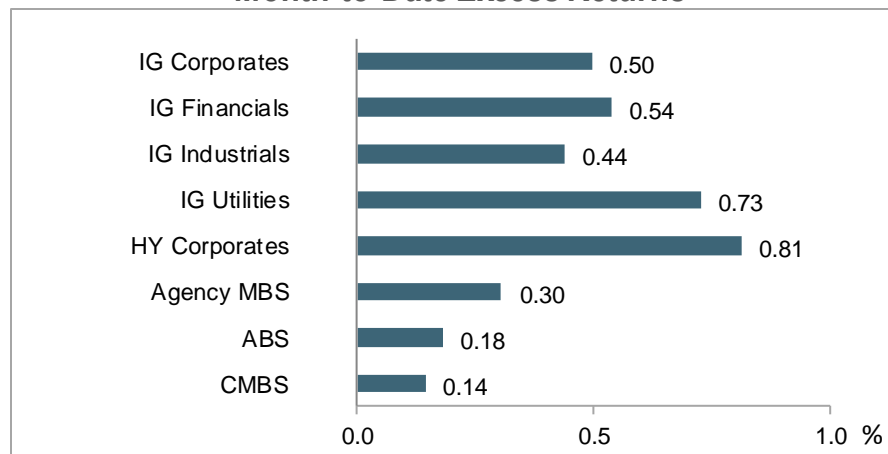
- The Dow Jones Industrial Average rose for a 13th consecutive day on Wednesday, marking the longest streak since 1987, as investors were encouraged by resilient economic data
 - Consumer confidence reached a two-year high at 117 in July, while pending home sales rose for the first time in four months
 - US GDP advanced at an annualized rate of 2.4% in the second quarter, while consumer spending increased 1.6%; both measures beat estimates and were boosted by spending on goods and services
- The Federal Reserve (Fed) unanimously voted to lift the federal funds target rate by 25bps to a range of 5.25% – 5.50%, the highest level in 22 years; despite Fed Chair Powell’s comments that Fed officials no longer anticipate a recession, future hikes were not ruled out
 - Following the rate decision, Treasury rates fell on the day, though the yield curve broadly rose week-over-week; the 10-year Treasury yield rose 12bps to 3.87%
- Investment-grade corporate issuance trailed off this week with roughly \$15 billion pricing, short of the \$20 billion to \$25 billion expected
 - Corporate spreads tightened 6bps week-over-week to 118bps, falling to a five-month low
- The high-yield market saw \$2.6 billion of primary market issuance; the lighter-than-expected supply, combined with inflows into high-yield funds, drove increased demand for high-yield bonds
 - After tightening to 373bps on Monday, the lowest level since April 2022, high-yield spreads closed 5bps lower week-over-week at 376bps
- Mortgage-backed securities outperformed other securitized sectors as the MBA Mortgage Applications Index fell -1.8% week-over-week
- Municipal bond fund flows reached over \$450 million during the week ending July 19th, marking the second straight week of inflows

Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
7/26/2023	4.85	4.12	3.87	4.13	3.94
MTD Change	-0.05	-0.04	0.03	0.06	0.08

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 thirdparty 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.