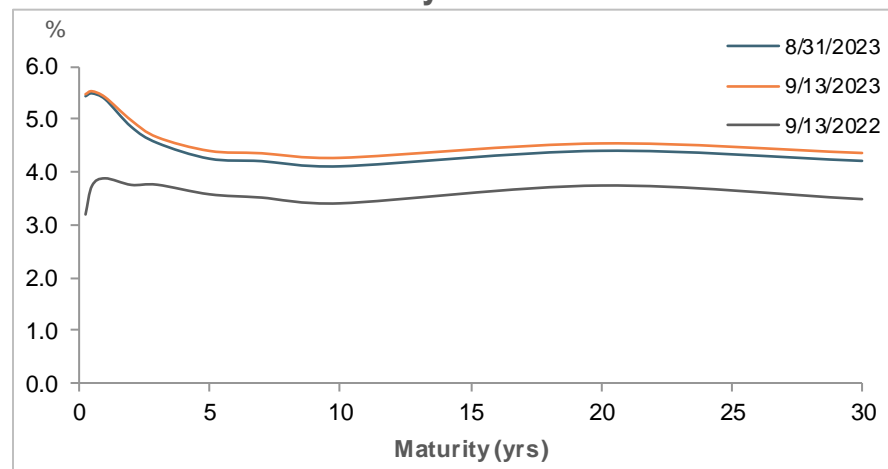




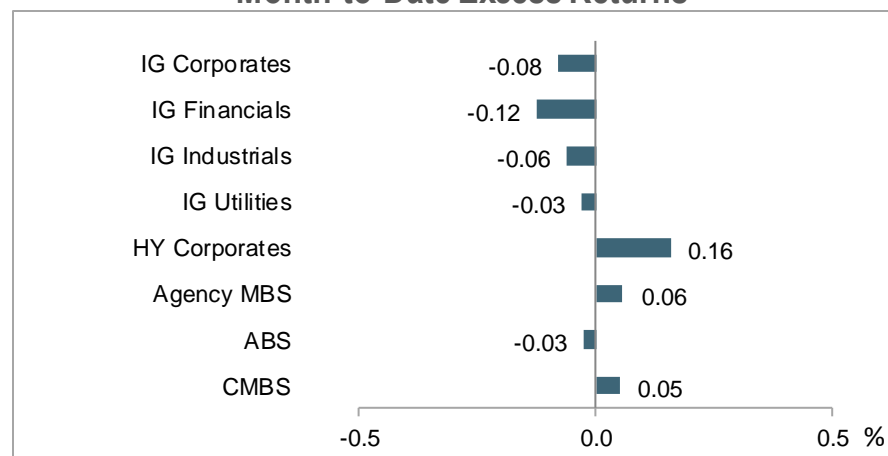
- Markets digested mixed economic data this week that highlighted rising energy prices and persistent inflation readings
 - The US Consumer Price Index (CPI) rose 0.6% month-over-month during August, while Core CPI advanced 0.3%, the highest monthly increase since February; increases in the shelter and services components contributed to the growth
 - The US Producer Price Index (PPI) rose 0.7% in August - the largest increase in over a year - and retail sales rose 0.6%; both measures were driven by surging gasoline prices
 - US jobless claims climbed to 220,000, and continuing claims rose to 1.7 million, both of which were below expectations
- Treasury yields fell across the curve, with the 2-year closing at 4.97% and the 30-year closing at 4.34%
- Primary market activity was slower compared to last week, but surpassed expectations with over \$34 billion pricing; last week's \$55 billion in issuance was the third busiest week of this year
 - Corporate spreads widened 1bp week-over-week to 121bps
- High-yield borrowers brought over \$8 billion of new issuance this week as companies rushed to the primary market ahead of next week's FOMC meeting; the increase in August's Core CPI left the door open for another possible rate hike, which would increase borrowing costs for bond issuers
 - High-yield spreads widened 3bps week-over-week to 374bps, while yields fell 4bps to 8.52%
- Heavy issuance of over \$13 billion weighed on performance of asset-backed securities, which underperformed Treasuries; year-to-date issuance of roughly \$210 billion is 2.7% lower year-over-year
- Municipal investors withdrew roughly \$925 million from mutual funds, marking the sixth straight week of outflows and the most since February

Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
9/13/2023	4.97	4.38	4.25	4.53	4.34
MTD Change	0.11	0.13	0.14	0.12	0.13

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.