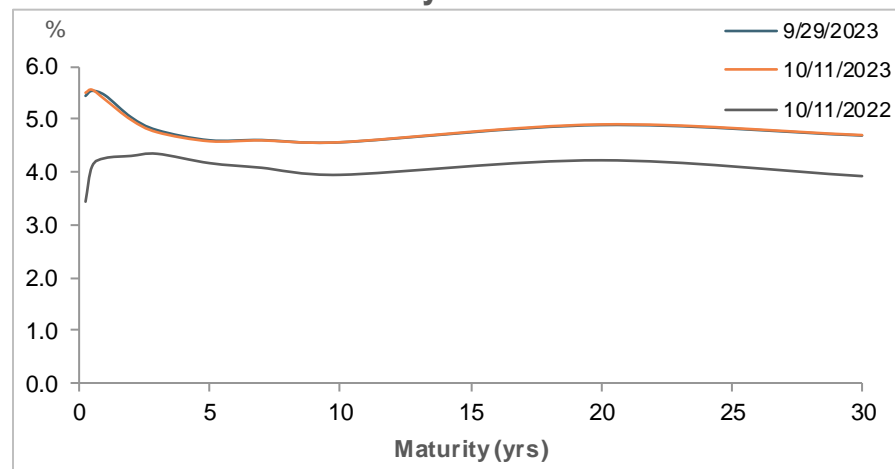




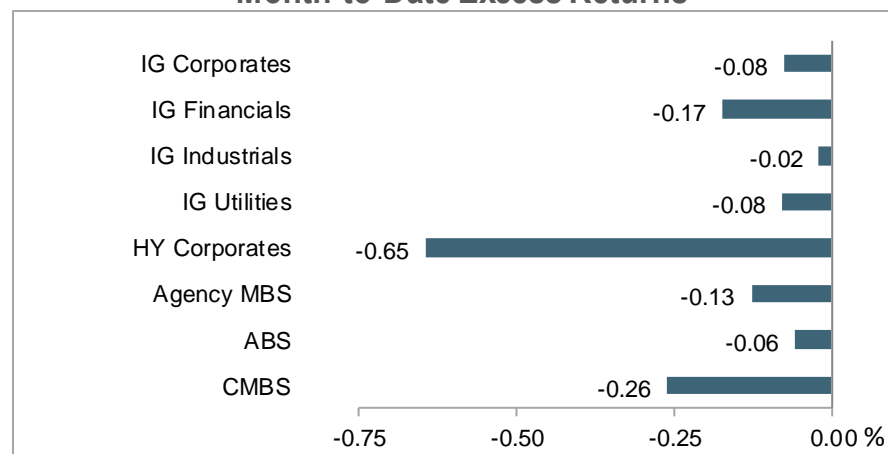
- The war between Israel and Hamas dominated headlines and brought geopolitical risk to the forefront; the full impact on risk assets and commodities continues to evolve
 - Nonfarm payrolls increased by 336,000 in September, dwarfing estimates of 170,000, with most of the gains coming from service-related industries
 - Inflation readings increased in September as CPI rose by 3.7% year-over-year, while Core CPI increased by 4.1%, fueled by rising shelter and energy prices
- Treasury yields sunk across the curve week-over-week on the back of the geopolitical tensions and Federal Reserve (Fed) officials signaling a possible end to rate hikes
 - The 2-year Treasury yield dropped 7bps week-over-week, while the 10- and 30-year yields fell by 17bps and 16bps, respectively
- Corporate issuers priced roughly \$13 billion of investment-grade bonds this week, exceeding estimates, while high-yield supply was \$1.8 billion
 - Solid demand for investment-grade bonds was a tailwind for corporate spreads, which tightened 2bps to close at 124bps
 - High-yield corporates rebounded after dovish comments from Fed officials, but still lagged the general market month-to-date, as spreads tightened 22bps week-over-week to 405bps
- Asset-backed securities (ABS) underperformed Treasuries, as an estimated \$4 billion in new issuance weighed on the sector; year-over-year supply of \$233 billion is up 1.3%
- Municipal bond yields dropped in tandem with Treasuries this week as investors favored safe-haven assets amid elevated volatility

Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
10/11/2023	4.98	4.58	4.56	4.90	4.70
MTD Change	-0.06	-0.03	-0.01	0.00	-0.01

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.