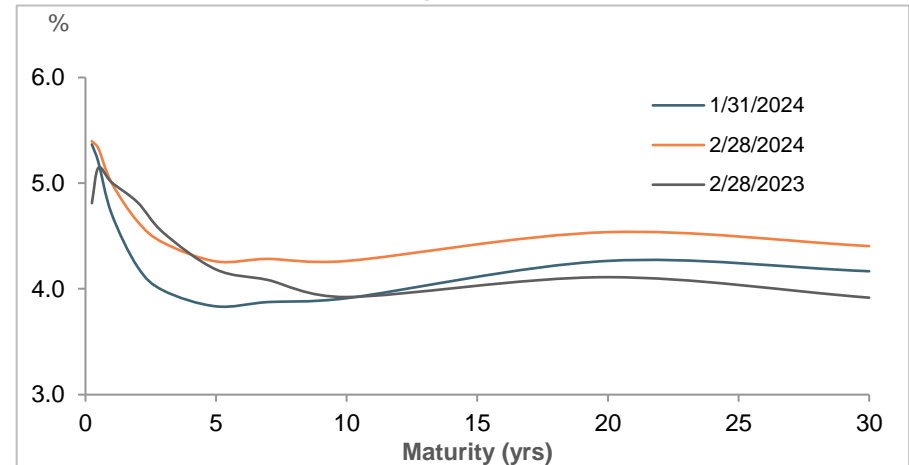




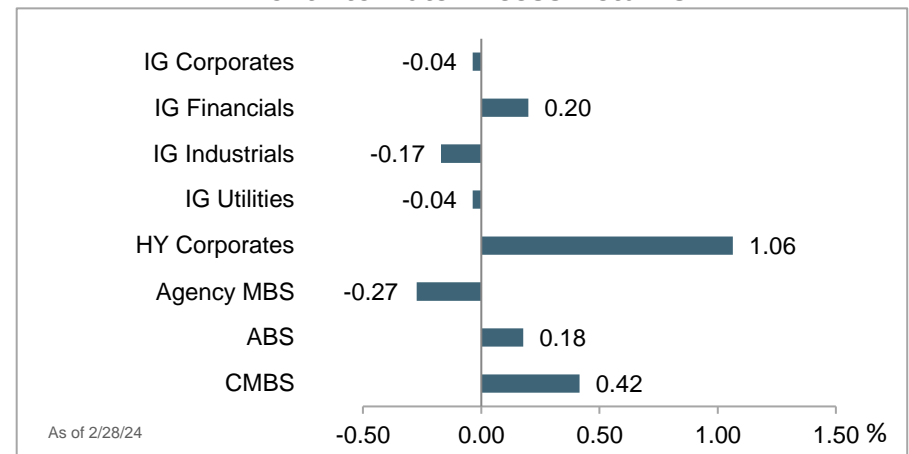
- Markets reacted with cautious optimism to a heavy slate of economic data this week
 - Core PCE, the Federal Reserve's (Fed) preferred inflation measure, grew in line with estimates at an annualized rate of 2.8% in January and remains above the Fed's 2% target
 - US consumer confidence declined in February for the first time since October, while durable goods orders fell by 6.1%; both measures were weaker than expected
 - New home sales increased during January, but were still below estimates; the median new home price fell to \$420,700
- The US Treasury auctioned \$63 billion, \$64 billion, and \$42 billion in 2-year, 5-year, and 7-year notes this week, respectively, and were met with lukewarm demand in an already crowded primary issuance market
 - Despite initially increasing following the auctions, Treasury yields ended the week lower across the board
- Supply continued to pour into the investment-grade primary market as over \$53 billion priced this week, surpassing estimates of \$35 billion
 - Corporate spreads widened by 5bps week-over-week to close at 95bps, and yields rose by 2bps to 5.42%
- The high-yield primary market absorbed almost \$4 billion of supply this week as investor appetite for fresh debt remained strong;
 - Spreads narrowed by 2bps to 314bps, and yields fell by 2bps to 7.88%
- Asset-backed securities and commercial mortgage-backed securities continued to outperform Treasuries month-to-date, as an industry conference led to light supply
- Investors contributed \$530 million to municipal bond mutual funds for the seventh straight week

Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
2/28/2024	4.64	4.26	4.27	4.54	4.41
MTD Change	0.43	0.43	0.35	0.27	0.24

Month-to-Date Excess Returns



Sources: Bloomberg and Bloomberg Index Services Limited. All commentary and data as of 2/29/24 unless otherwise noted. 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.