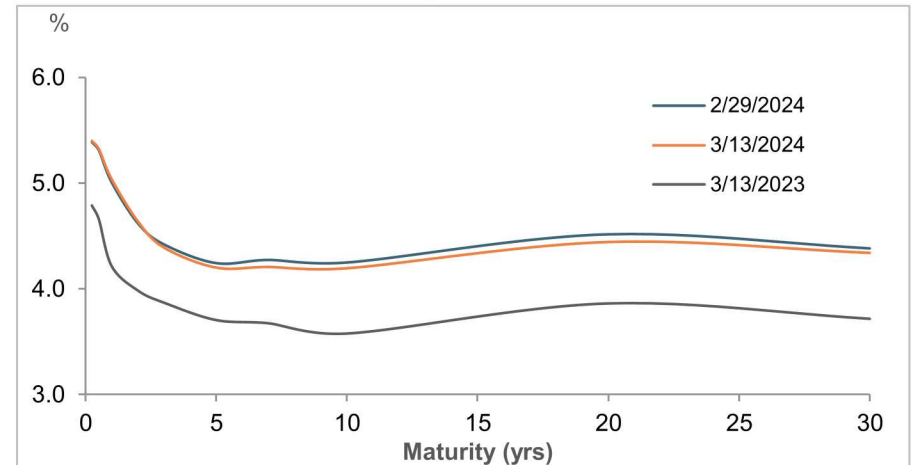




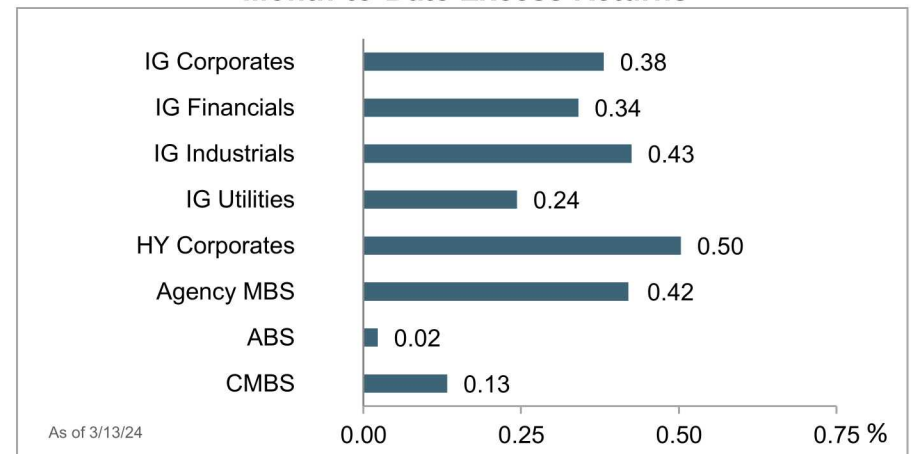
- Risk assets saw positive performance amid higher-than-expected inflation in February and mixed data on the state of the labor market
 - During February, US CPI rose by 3.2% year-over-year and Core CPI, which excludes food and housing, increased 3.8%; both measures were above expectations
 - The US Producer Price Index (PPI) rose by 1.6%, the largest annual increase since September, driven by an increase in fuel and food costs
 - Nonfarm payrolls increased by 275,000 last month, above expectations, and the US unemployment rate rose to 3.9%
- Treasury yields increased across the curve this week on the back of elevated inflation readings, supporting the Federal Reserve's (Fed) patient approach toward rate cuts
- Investment-grade new issuance slowed from its blistering pace as \$37 billion priced this week, in line with dealer estimates of \$35 - \$40 billion; high-yield primary market activity also slowed, as only \$1.8 billion priced
 - Investment-grade corporate spreads narrowed by 5bps week-over-week to close at 92bps, and yields rose by 3bps to 5.32%
 - High-yield spreads tightened by 12bps to 303bps, and yields fell by 7bps to 7.71%
- Asset-backed securities returns struggled to keep up with other securitized sectors amid a heavy inflow of supply; year-to-date ABS issuance of over \$81 billion is approximately 49% higher year-over-year
- Municipals modestly outperformed Treasuries as the 10-year muni/Treasury ratio decreased by 2% to close at 58%
 - Municipal investors added \$956 billion to mutual funds, marking the ninth straight week of inflows

Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
3/13/2024	4.64	4.20	4.19	4.44	4.34
MTD Change	0.02	-0.05	-0.06	-0.07	-0.04

Month-to-Date Excess Returns



Sources: Bloomberg and Bloomberg Index Services Limited. All commentary and data as of 3/14/24 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.