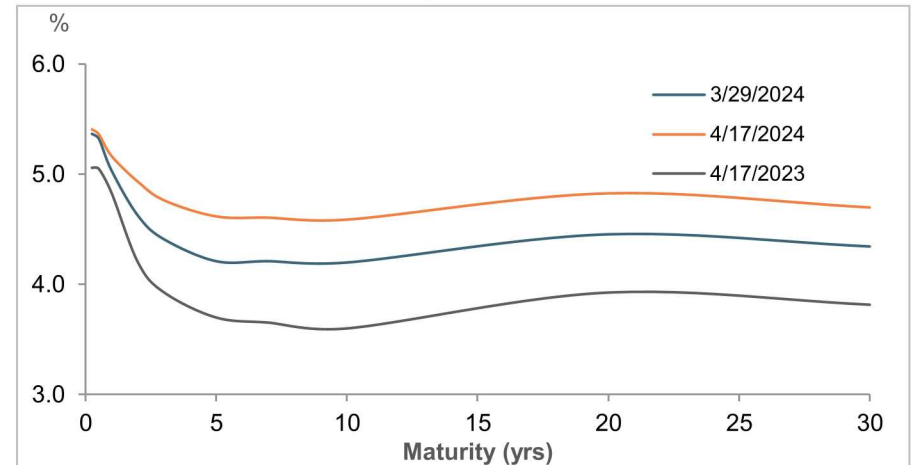




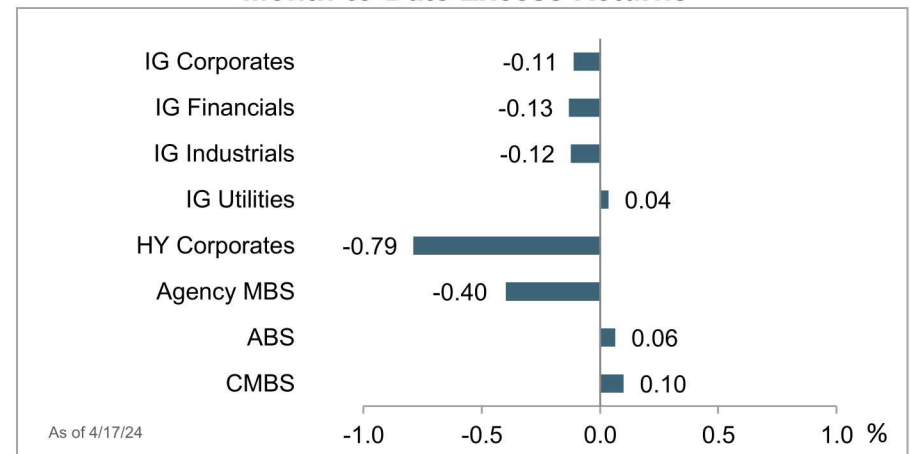
- Several members of the Federal Reserve (Fed), including Chair Powell, suggested recent data likely pushed out the start of anticipated rate cuts
  - March retail sales beat expectations and the previous month's sales were revised upward, further supporting a delay
  - Powell mentioned recent data had not given the Fed "greater confidence" and that current policy was "well-positioned"
- Treasury yields surged early this week amid hawkish comments from Fed officials; the 2- and the 10-year rates rose to their highest levels since November, with the 2-year nearly surpassing 5%
  - Market-implied probabilities suggest less than two rate cuts during the remainder of 2024, down from almost six cuts at the start of the year
- Banks accounted for the majority of issuance, accounting for \$29 billion of the \$32 billion total, slightly ahead of estimates of \$30 billion
  - Investment-grade corporate spreads widened by 6bps week-over-week to 93bps; yields rose to their highest level since November, increasing by 7bps to 5.68%
- The high-yield market had over \$7 billion of new issuance this week
  - High-yield spreads widened by 37bps to 329bps, while yields increased by 34bps to 8.28%
- Asset-backed securities (ABS) saw the heaviest weekly supply in over a month, pushing spreads 4bps wider week-over-week; month-to-date issuance of \$19 billion has been concentrated within autos
- Front-end municipals underperformed Treasuries and the 2-year muni/Treasury ratio climbed by 1% to close at 65%

### Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
4/17/2024	4.93	4.62	4.59	4.82	4.70
MTD Change	0.31	0.40	0.39	0.37	0.36

### Month-to-Date Excess Returns



Sources: Bloomberg and Bloomberg Index Services Limited. All commentary and data as of 4/18/24 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.