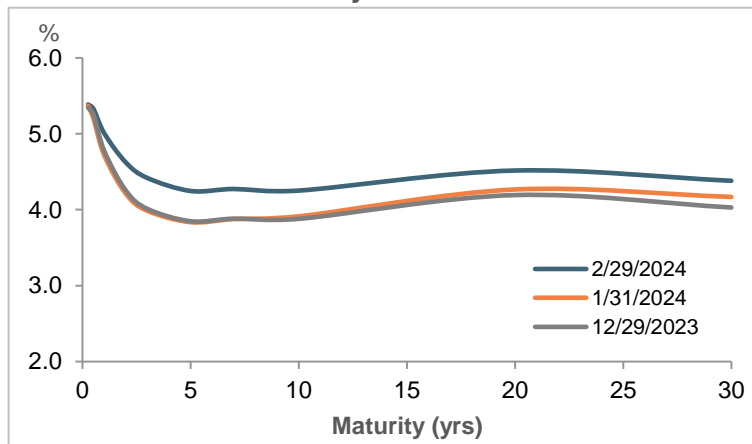


MARKET NEWS

- Equities continued their march upward for the fourth consecutive month in February while credit spreads remained tight, rallying in the first three weeks before widening back out in the last few trading days
 - Economic data showed little sign of a slowdown in the economy with CPI rising by 3.1% year-over-year in January, above market estimates, and non-farm payrolls increasing by 353,000 jobs last month, nearly double the survey consensus prediction of 185,000
- Amid the higher-than-expected inflation and labor market activity, Federal Reserve (Fed) officials reiterated the need to keep rates restrictive to push inflation down towards its 2% target; market expectations for rate cuts have cooled significantly, with investors anticipating just over three cuts in 2024
 - Treasury yields broadly rose, led by rates in the intermediate portion of the curve; the 3-year Treasury yield rose by 43bps to 4.42%, and the 2-year/10-year Treasury spread inverted further by 7bps to -37bps
- Investment-grade primary issuance continued its record-setting pace in February with \$198 billion coming to market, the highest total for the month; year-to-date supply is up by 32% over the amount issued in the same period last year
 - While Financial firms dominated January issuance, February supply skewed towards large Industrial issuers seeking to finance mergers and acquisitions
 - The heavy supply was not enough to deter corporate spreads, which ended the month where they began at 96bps; investment-grade yields rose by 30bps to 5.41%
- High-yield supply was strong in February, as well, with \$27 billion issued during the month, 14% above the five-year average for the period
 - High-yield spreads tightened by 32bps to 312bps, while yields rose by 6bps to 7.86%
- Commercial mortgage-backed securities (CMBS) continued to outperform other securitized products on an excess return basis as CMBS spreads tightened by 11bps on the month, marking the fourth consecutive month of spread tightening
- Municipal bonds outperformed Treasuries as primary issuance continues to top last year's pace by 52%; the 10-year muni/Treasury yield ratio fell by 4% to 59%

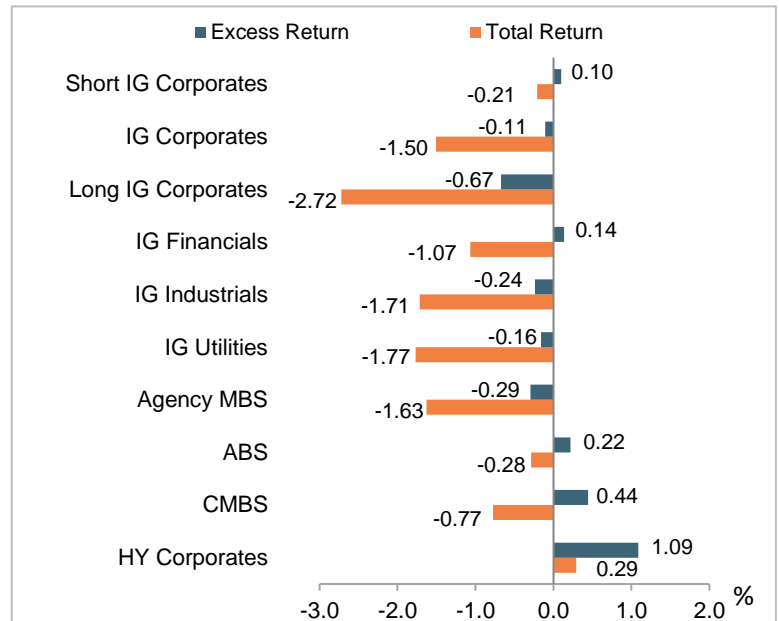
MARKET STATISTICS

Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
2/29/2024	4.62	4.25	4.25	4.52	4.38
MTD Change	0.41	0.41	0.34	0.25	0.21
YTD Change	0.37	0.40	0.37	0.32	0.35

MTD Returns



As of: 2/29/24. Sources: Bloomberg

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 Income Research + Management ("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.