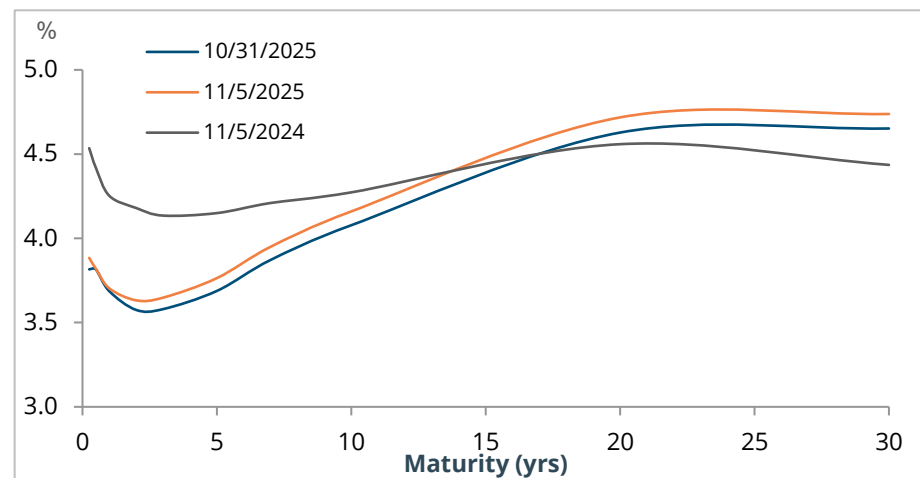


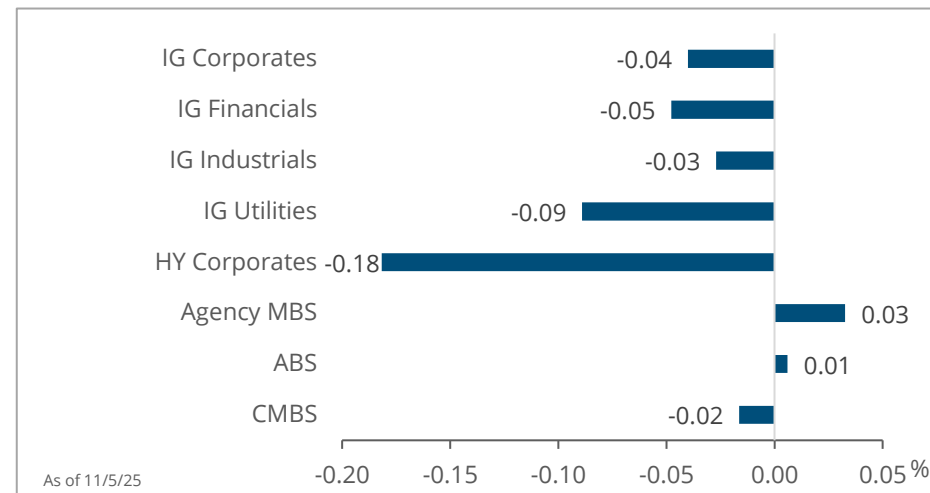
- The Supreme Court held a hearing on whether tariffs imposed by the Trump administration under the International Emergency and Economic Powers Act (IEEPA) were lawful
 - The ruling, which is expected in late 2025 or 2026, could carry significant economic and fiscal implications for the US
- The ISM Services Index rose to 52.4 last month, exceeding forecasts of 50.8 and led by increased demand and inflationary pressures as the prices-paid index rose to a three-year high of 70
- Private-sector payrolls increased by 42,000 in October – above expectations of 30,000 – as large company hirings offset declines at small businesses
 - Conversely, US companies announced over 153,000 job cuts in October, the highest in over 20 years, driven by reductions in the technology and warehousing sectors
- Treasury rates rose across the curve following the strong private-sector employment and ISM Services data releases, raising uncertainty about another rate cut in December
 - The 2-year and 30-year Treasury rates rose 6bps and 9bps to 3.63% and 4.74%, respectively
- The investment-grade primary market remained active this week despite the higher-rate backdrop, with supply totaling nearly \$56 billion; high-yield issuance was similarly elevated, with supply totaling \$8 billion
 - Investment-grade spreads widened by 2bps to 80bps, and yields increased by 7bps to 4.89%
 - High-yield corporate spreads widened by 6bps to 289bps, and yields rose by 10bps to 6.88%
- Asset-backed securities (ABS) spreads tightened 1bp to 54bps as \$11 billion of supply was met with robust demand; year-to-date issuance of \$321 billion is running 2% ahead of last year's pace
- Municipals outperformed Treasuries as muni/Treasury ratios fell across the curve; municipal bond funds reported \$3.6 billion of net outflows – the first weekly outflow in seven weeks

Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
11/5/25	3.63	3.76	4.16	4.72	4.74
MTD Change	0.06	0.08	0.08	0.09	0.09

Month-to-Date Excess Returns



Sources: Bloomberg and Bloomberg Index Services Limited. All commentary and data as of 11/6/25 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.