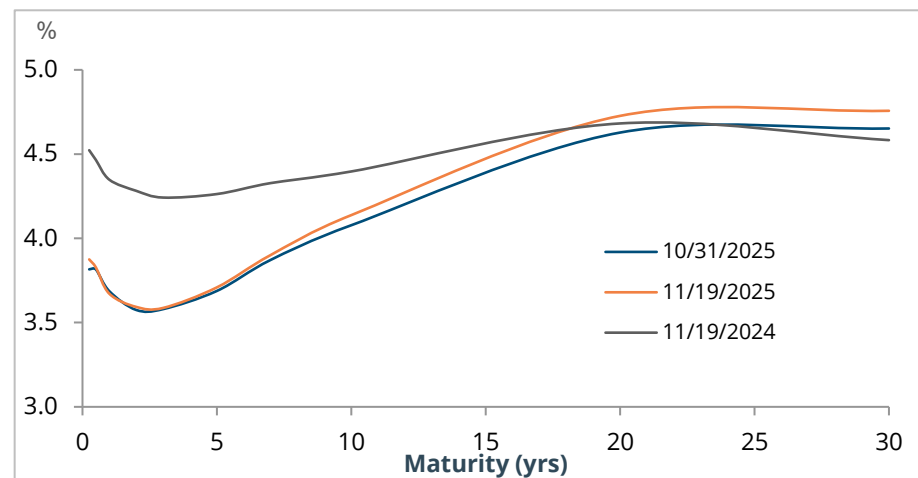


IR+M Weekly Fixed Income Market Update:

November 14 – November 20, 2025

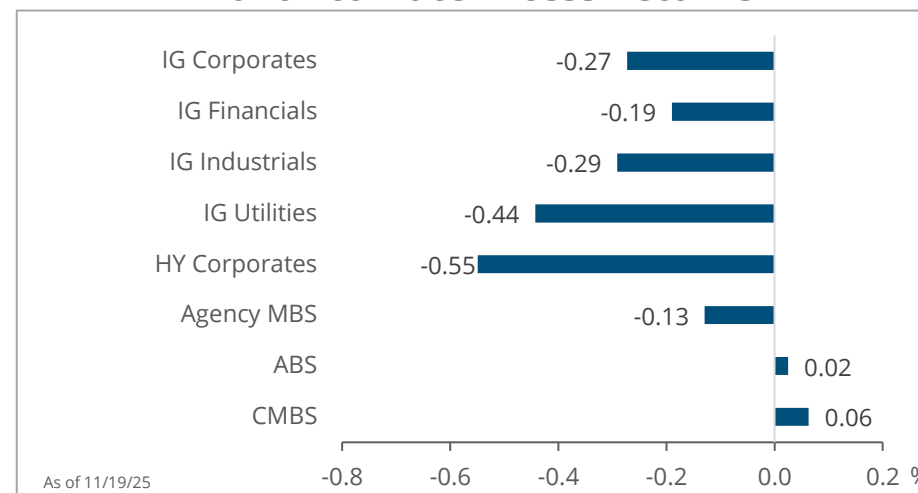
- The market tone turned cautious as investors prepared for artificial intelligence-related earnings reports and the return of economic data releases, following the longest government shutdown in US history
- October FOMC meeting minutes revealed members continued to disagree on whether inflation or the labor market poses the bigger risk to the economy
 - Many members prefer to hold rates steady until 2026, while some believe another rate cut is warranted
 - The market-implied probability of a December rate cut has fallen from nearly 100% in October to just 29% as of last night's close
- The September jobs report was released and likely did little to sway the Federal Reserve one way or the other; nonfarm payrolls rose 119k while the unemployment rate increased to 4.4%
- Treasury yields were slightly higher week-over-week as investors lowered expectations of another rate cut in 2026, with the 2-year rate 2bps higher to 3.59%
- Investment-grade (IG) companies issued over \$47 billion this week, more than double estimates of \$20 billion; supply typically decelerates from Thanksgiving through the rest of the year
 - There were small signs of supply indigestion as one deal was pulled – a rarity in the IG market – while some others experienced elevated attrition rates
 - Investment-grade corporate spreads widened 1bp to 83bps
- Rising credit concerns and the potential for a higher-for-longer rate environment pushed high-yield spreads 17bps wider to 300bps; CCC rated spreads surpassed 660bps for the first time since June
 - Four issuers priced new debt despite the softer tone, totaling roughly \$5 billion
- Agency mortgage-backed securities (MBS) underperformed Treasuries and securitized sectors amid an increase in rate volatility
- Municipal supply totaled over \$10 billion this week, bringing the year-to-date total to \$516 billion, almost 15% ahead of last year's pace

Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
11/19/25	3.59	3.71	4.14	4.73	4.76
MTD Change	0.02	0.02	0.06	0.10	0.11

Month-to-Date Excess Returns



Sources: Bloomberg and Bloomberg Index Services Limited. All commentary and data as of 11/20/25 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, accuracy, or completeness of any data or information relating to any IR+M product.