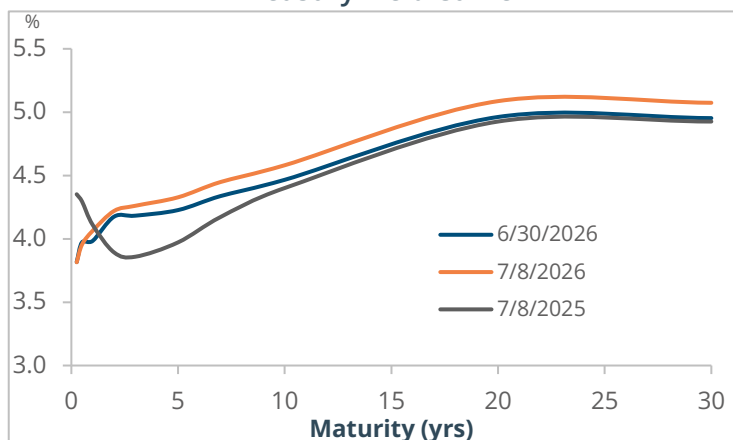


Word on the IR+M Desk

This week, the market digested another hyperscaler jumbo deal as Amazon priced \$25 billion of debt across the curve. The transaction marked the seventh deal of \$25 billion or more in 2026, matching the total completed between 2019 and 2025. The transaction required concessions of more than 10bps and was only roughly 2x oversubscribed. Is this a sign investors are tiring of AI-related debt? We don't think so. The broader technology selloff likely weighed on demand, while the investor base was largely composed of buy-and-hold accounts. Rather than signaling fatigue, the transaction may reflect a market becoming increasingly price selective as AI-related financing needs continue to grow. In our view, this environment favors active, bottom-up investors capable of distinguishing between opportunity and enthusiasm.

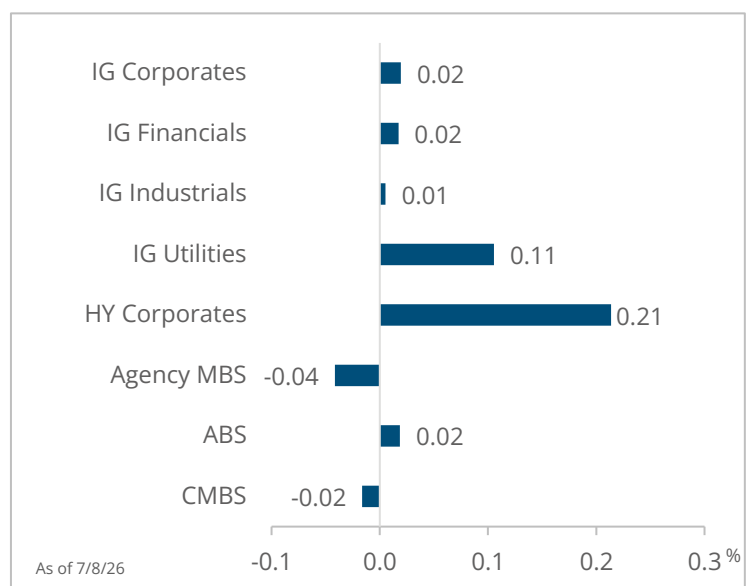
- Geopolitical tensions between the US and Iran renewed concerns over energy supply disruptions, driving higher oil and natural gas prices
 - West Texas (WTI) crude and Brent oil rose 6% and 7%, respectively, while TTF natural gas increased by 12%
- June payroll growth slowed to 57k, well below expectations of 113k, while prior months were revised lower by a combined 74k, signaling a modest cooling in labor market momentum
 - Despite slower hiring, the unemployment rate fell to 4.2% as labor force participation declined to 61.5%
- June's FOMC meeting minutes revealed a growing divide among Federal Reserve (Fed) officials, with some making the case for a rate hike amid concerns that inflation pressures were broadening
 - Fed officials also signaled support for simplifying policy communications, reinforcing the possibility of less forward guidance and greater market sensitivity to incoming data
- Treasury yields rose across the curve, led by the long-end, as energy market volatility and geopolitical tensions intensified; the curve steepened, with the spread between the 2- and 10-year Treasury yields widening by 8bps to 37bps
- Investment-grade (IG) corporate supply reached \$51 billion this week, more than double expectations, driven largely by Amazon's \$25 billion jumbo offering
 - High-yield (HY) supply slowed amid renewed geopolitical volatility, totaling less than \$2 billion
- Credit spreads showed resilience despite the softer tone, with IG spreads unchanged at 74bps and HY spreads 6bps tighter at 264bps month-to-date
- The asset-backed securities (ABS) sector was largely insulated from the interest rate volatility given the sector's generally shorter-duration profile, outperforming Treasuries and other securitized sectors
- Municipals underperformed Treasuries as muni/Treasury ratios rose across the curve despite municipal bond funds reported \$726 million of net inflows last week

Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
7/8/26	4.22	4.33	4.58	5.09	5.07
MTD Change	0.04	0.10	0.12	0.13	0.12

Month-to-Date Excess Returns



Sources: Bloomberg and Bloomberg Index Services Limited. All commentary and data as of 7/9/26 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.