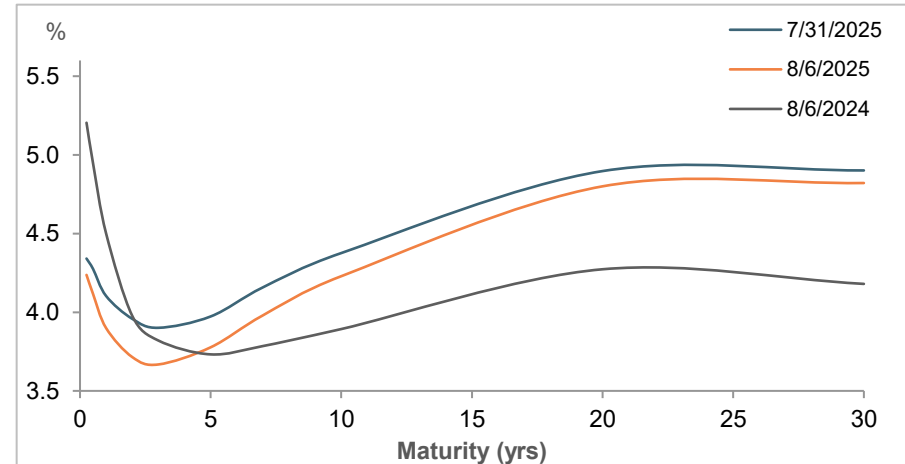


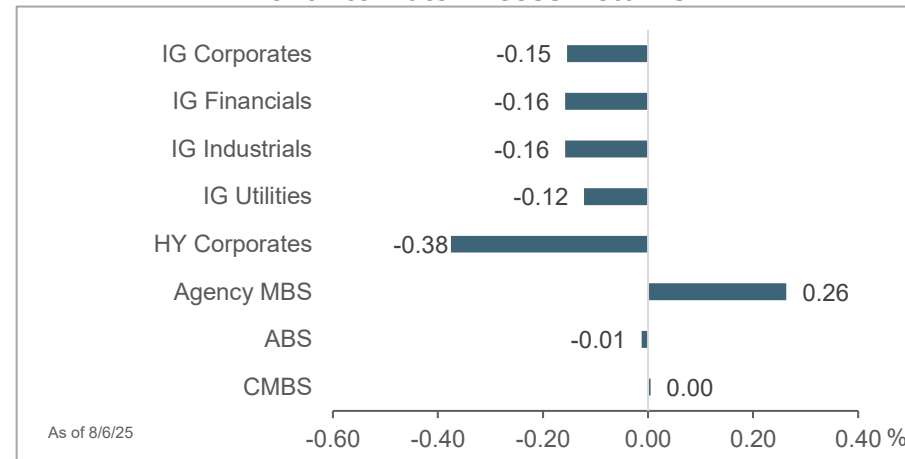
- Investors reacted to softer economic data after the July jobs report signaled a labor market slowdown and raised the probability of a rate cut in September
 - Nonfarm payrolls growth totaled 73,000 for July, which was below expectations of 105,000; May and June payrolls were significantly revised down by a combined 258,000
 - The ISM Services PMI dropped to 50.1 in July from 50.8 in June, reflecting little change in activity despite firms encountering rising costs and weakening demand
- Led by the front-end of the curve, Treasury rates steepened week-over-week following the July jobs miss and downside revision to prior months' data
 - The 2-year Treasury fell by 24bps to 3.72%, while the 30-year dropped by 8bps to 4.82%
 - Federal Reserve Governor Adriana Kugler resigned from the FOMC board before her term ends in January; President Trump could name her successor this week
- The investment-grade primary market was relatively busy this week with over \$33 billion of supply, marking the busiest week since June; high-yield issuance remained robust with supply totaling \$9 billion for the week
 - Investment-grade spreads widened by 3bps to 79bps, while yields decreased by 14bps to 4.93%
 - High-yield corporate spreads widened by 11bps to 288bps, and yields fell by 8bps to 7%
- Agency mortgage-backed securities (MBS) outperformed other securitized sectors week-over-week as spreads tightened by 5bps to 35bps
- Municipals underperformed Treasuries as muni/Treasury ratios rose across the curve; municipal bond funds reported \$1 billion of inflows, marking the thirteenth consecutive week of net inflows

Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
8/6/25	3.72	3.78	4.23	4.80	4.82
MTD Change	(0.24)	(0.20)	(0.15)	(0.10)	(0.08)

Month-to-Date Excess Returns



Sources: Bloomberg and Bloomberg Index Services Limited. All commentary and data as of 8/7/25 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.