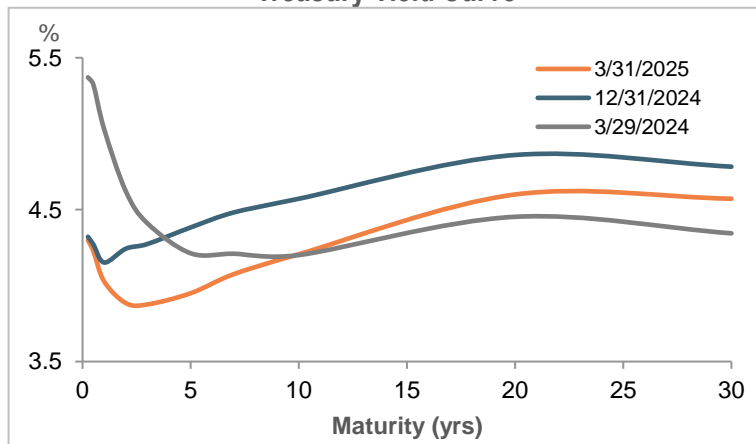


MARKET NEWS

- In March, markets continued to be plagued by policy and tariff uncertainty, leading to heightened market volatility, weakened consumer sentiment, and a forecasted slowdown in US growth
 - The Federal Reserve (Fed) held rates steady during their March meeting as Chairman Powell continued to message that the Fed remains data dependent and is in “no hurry” to change policy
 - Consumer confidence continued to decline, dropping to 92.9 during the month – the lowest level since early 2021 – due to concerns about higher prices and a dimming economic outlook caused by increased tariffs
- The Treasury curve steepened during the month as the 2-year yield decreased 11bps while the 20-year rate increased 7bps
- Investment-grade corporates, particularly in the long-end, underperformed Treasuries during the month as volatility and market uncertainty continued to impact relative excess returns
 - In March, investment-grade spreads widened 7bps to 94bps after peaking at 97bps mid-month – the widest level since September – as yields rose by 7bps to 5.15%
- March returns for high-yield bonds were the weakest since October 2023, with CCC’s underperforming the broader speculative-grade universe; spreads widened by 67bps to 347bps as yields increased by 58bps to 7.73%
- Investment-grade corporates brought \$184 billion of new debt to market, exceeding expectations of \$175 billion; year-to-date total issuance is up 2% year-over-year
 - High-yield markets saw nearly \$27 billion in new issues priced – the busiest month since September and busiest March since 2021 – as borrowers rushed to market ahead of further US tariff announcements
- Asset-backed securities (ABS) spreads widened 10bps to 60bps during the month and, while the sector experienced the best March performance within securitized, posted their third straight month of negative excess return as short-duration Treasuries rallied in the face of rising trade tensions
- The municipal market continued to experience robust supply, pricing \$44 billion in new issues in March – the highest issuance month year-to-date and largest March since 2022
 - Muni/Treasury ratios rose across the curve as munis underperformed Treasuries by 2%, making it their worst performance month relative to Treasuries since March 2020

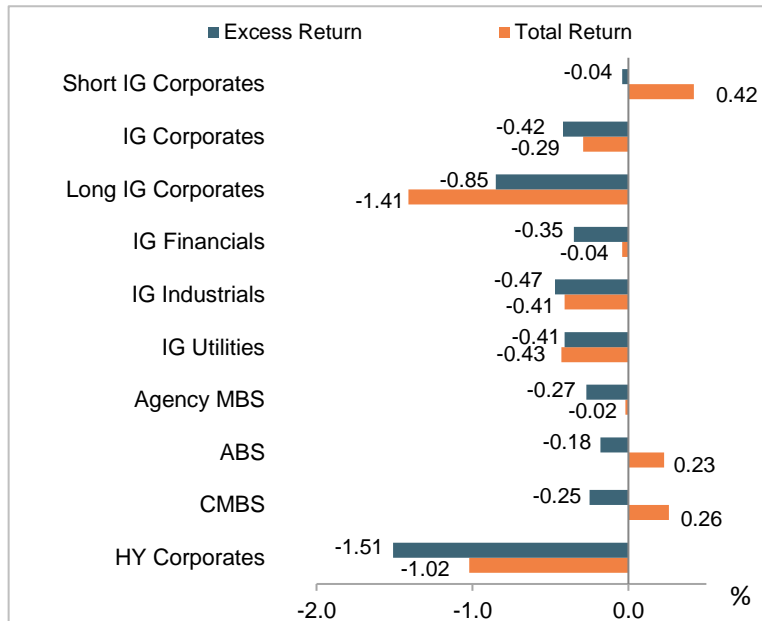
MARKET STATISTICS

Treasury Yield Curve



Maturity	2-year	5-year	10-year	20-year	30-year
3/31/25	3.89	3.95	4.21	4.60	4.57
MTD Change	-0.11	-0.07	0.00	0.07	0.08
YTD Change	-0.36	-0.43	-0.37	-0.26	-0.21

MTD Returns



As of: 3/31/25. Sources: Bloomberg

Excess returns are the curve-adjusted excess return of a given index relative to a term structure-matched position in Treasuries. This is not a recommendation to purchase or sell the securities mentioned above. 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, accuracy, or completeness of any data or information relating to any IR+M product.