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Fixed Income Perspectives Video

Bonds Hold Steady Amid Volatility

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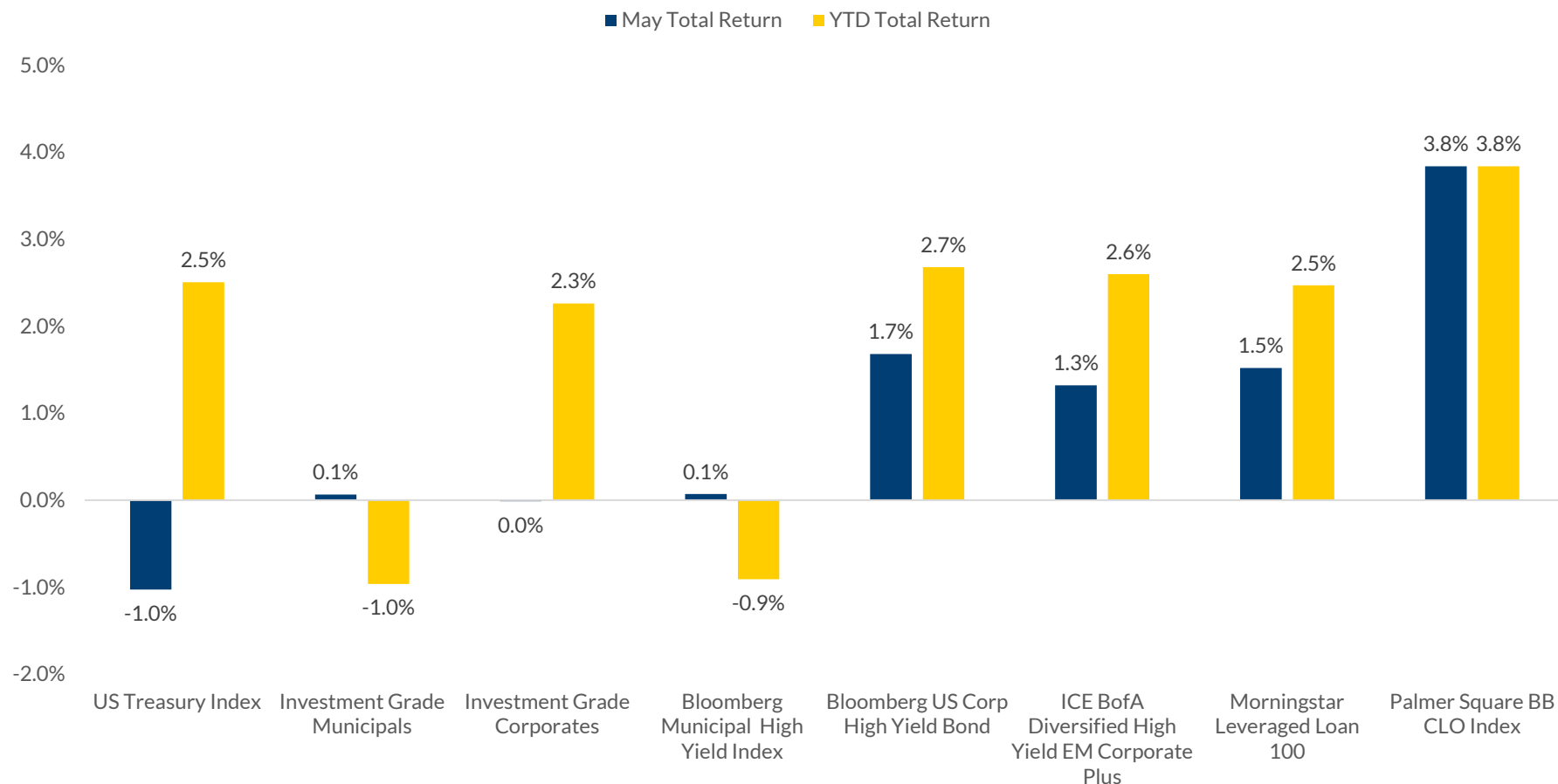
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Fixed Income Asset Class Returns

- Most fixed income markets rebounded in May and are positive year-to-date.

Fixed Income Asset Class Performance



Source: Morningstar Leveraged Loan 100 Index, Bloomberg US Corporate High Yield Index, ICE BofA Diversified High Yield EM Corporate Plus Index, Palmer Square BB CLO Index, Bloomberg Municipal Bond Index, Bloomberg US Treasury Index, Bloomberg High Yield Municipal Bond Index and Bloomberg US Corporate Investment Grade Index as of 5/30/2025.

Information is subject to change and is not a guarantee of future results.



US Investment Grade and High Yield Corporate Spreads

- Corporate bond spreads have compressed in recent weeks following the tariff pause in early April.

Investment Grade Corporate Bond Spreads
(in bps)



High Yield Corporate Bond Spreads (in bps)



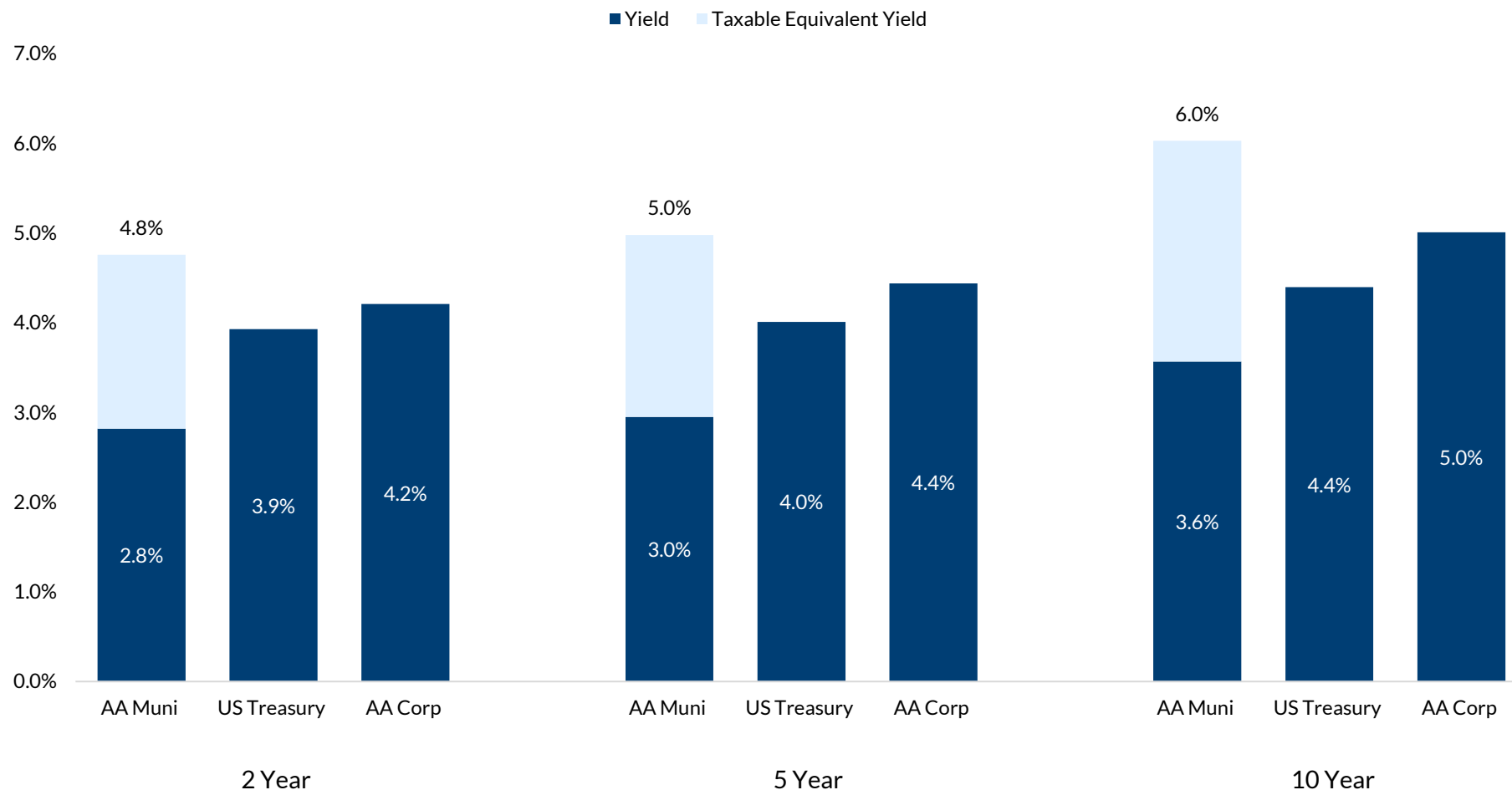
Source: Bloomberg US Agg Credit Avg OAS Index and Bloomberg US Corporate High Yield Average OAS Index as of 5/30/2025.
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Municipal Bond Yields Offer Continued Value

- The upward adjustment in yields relative to taxable alternatives has improved valuations and opportunity.

Fixed Income Asset Class and Maturity Focus Yield Comparison



Source: Bloomberg Municipal AA Revenue Bond Index, Bloomberg US Treasury Bond Index, and Bloomberg US Corporate AA Yield Curve as of 6/11/2025.
 Taxable Equivalent Yield assumes 37% Federal and 3.8% Medicare surcharge.
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Fixed Income investing strategies & products. There are inherent risks with fixed income investing. These risks include, but are not limited to, interest rate, call, credit, market, inflation, government policy, liquidity or junk bond risks. When interest rates rise, bond prices fall. This risk is heightened with investments in longer-duration fixed income securities and during periods when prevailing interest rates are low or negative.

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Index Definitions

Bloomberg U.S. Treasury Index: includes all publicly issued, U.S. Treasury securities that are rated investment grade, and have \$250 million or more of outstanding face value.

Bloomberg 1-3 Month U.S. Treasury Bill/T-Bill Index (the "Index") is designed to measure the performance of public obligations of the U.S. Treasury that have a remaining maturity of greater than or equal to 1 month and less than 3 months.

Bloomberg U.S. Intermediate Corporate Bond Index measures the performance of U.S. corporate bonds with a maturity of 1–10 years. It's part of the Bloomberg U.S. Corporate Index.

The Bloomberg Municipal Bond: Muni Inter-Short (1-10) Index is a measure of the US municipal tax-exempt investment grade bond market. It includes general obligation and revenue bonds, which both can be pre-refunded years later and get reclassified as such. The effective maturity of the bonds in the index must be greater than or equal to 1 years but less than 10 years.

Bloomberg U.S. Municipal High-Yield Index: covers the U.S.-dollar denominated, non-investment grade, fixed-rate, municipal bond market and includes securities with ratings by Moody's, Fitch and S&P of Ba1/BB+/BB+ or below.

The Bloomberg US Corporate High Yield Index measures the performance of non-investment grade, US dollar-denominated, fixed-rate, taxable corporate bonds.

ICE BofA Diversified High Yield US Emerging Markets Corporate Plus Index tracks the performance of US dollar denominated below investment grade emerging markets non-sovereign debt publicly issued in the major domestic and Eurobond markets.

The Palmer Square CLO Debt Index ("CLO Debt Index") (ticker: CLODI) is a rules-based observable pricing and total return index for collateralized loan obligation ("CLO") debt for sale in the United States, original rated A, BBB, or BB or equivalent.

US Corporate Short 1-5 refers to short-term US corporate bonds with 1–5 years remaining until maturity. These bonds are part of the investment-grade corporate bond market, which is dominated by financial services issuers.

Municipal Short 1-5 refers to a collection of municipal bonds that mature between one and five years. These bonds are a type of debt obligation that pay interest that is exempt from federal income tax.

U.S. Corporate Intermediate 1-10 refers to investment-grade corporate bonds that mature between one and ten years. These bonds are denominated in U.S. dollars and are taxable.

Municipal Short/Intermediate 1-10 is a term used to describe a group of US tax-exempt municipal bonds that have a maturity date between one and ten years. These bonds can be used in a variety of investment strategies, including bond ladders and managed accounts.





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