



December, 2024

Fixed Income Perspectives Video

Bonds Gain, Look to Finish the Year Strong

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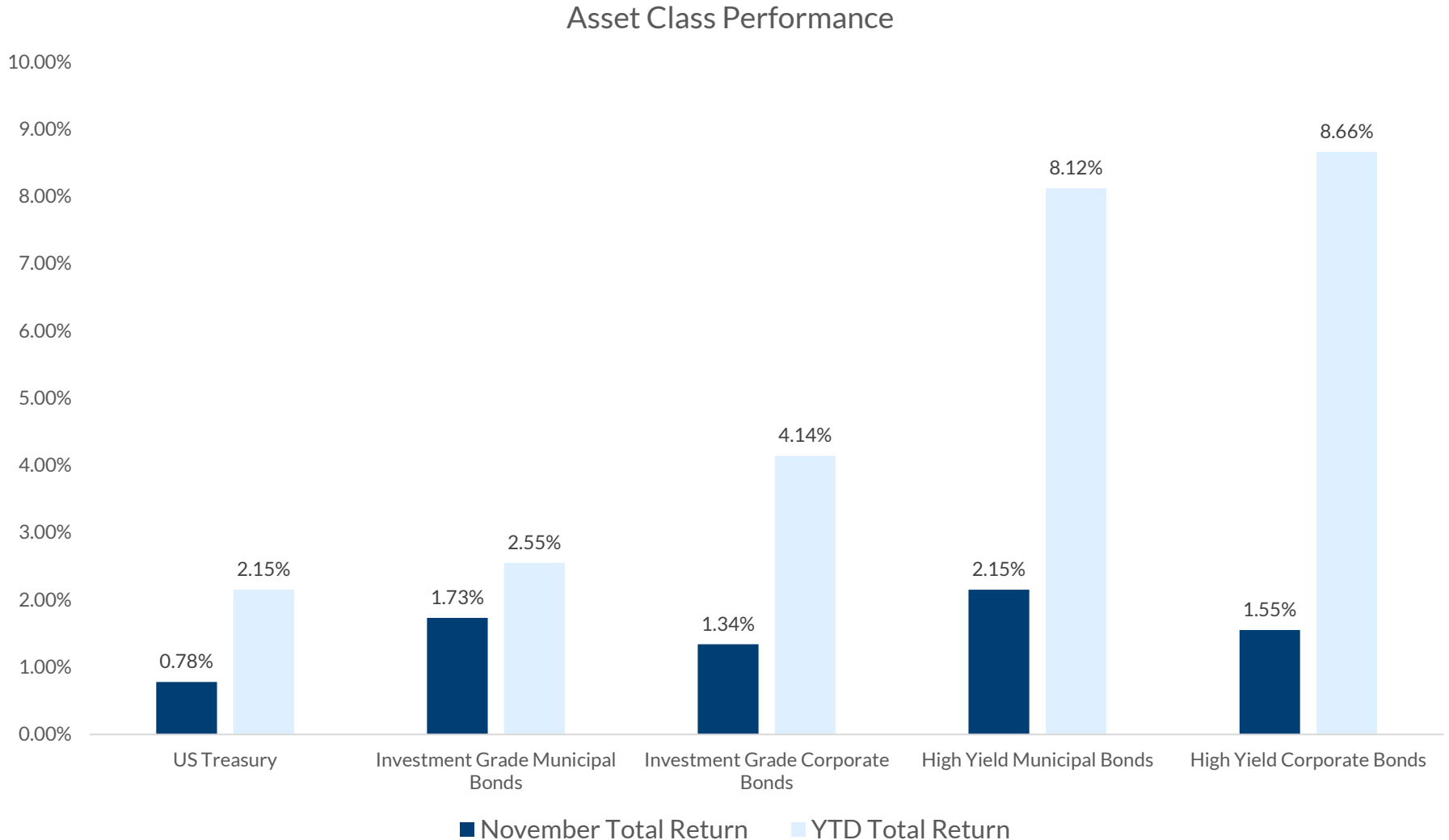
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Fixed Income Performance Favorable Across the Asset Class

- Most fixed income segments have rewarded investors with positive performance year-to-date.



Source: Bloomberg US Treasury Index, Bloomberg Municipal Bond Index, Bloomberg US Corporate Investment Grade Index, Bloomberg High Yield Municipal Bond Index, Bloomberg US Corporate High Yield Index as of 11/30/2024.

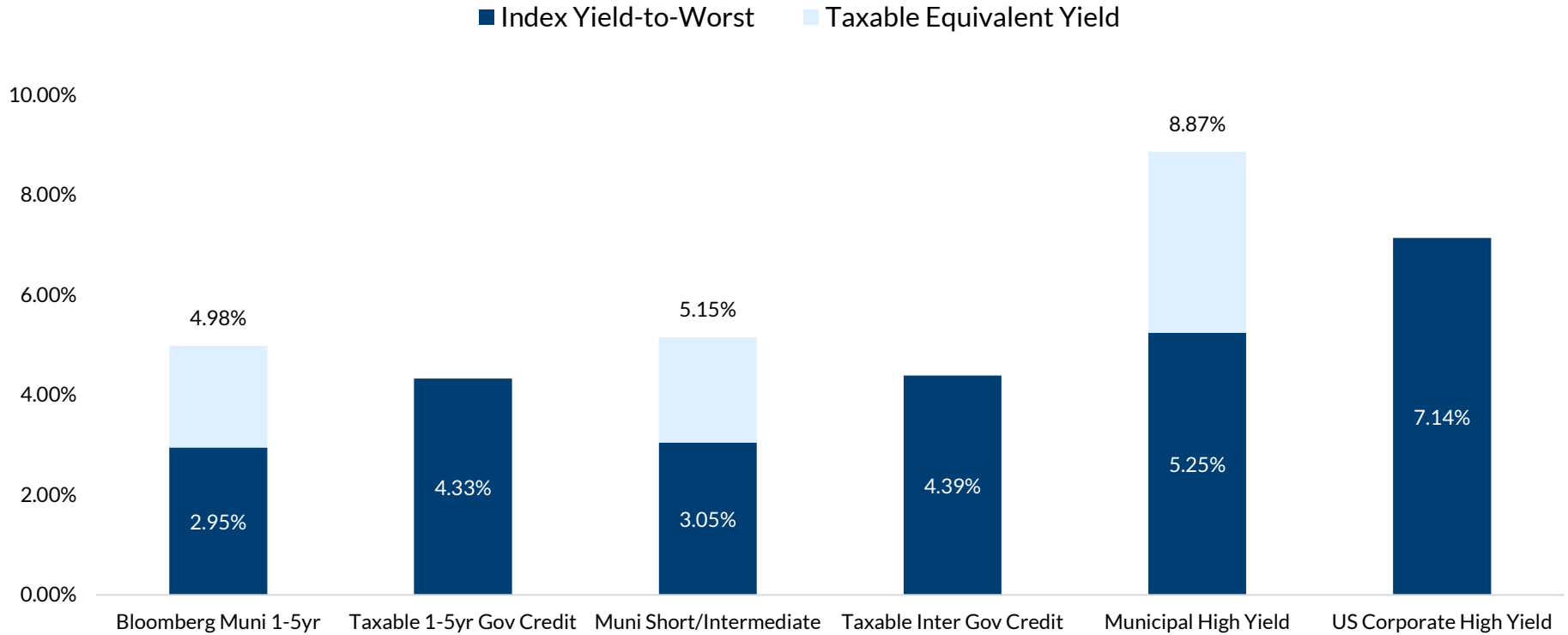
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Various Fixed Income Asset Class Yield Comparison

- Absolute and taxable-equivalent yields (applicable to municipals) remain compelling across fixed income.

Fixed Income Asset Class and Maturity Focus Yield Comparison



Short Term

Intermediate Term

High Yield

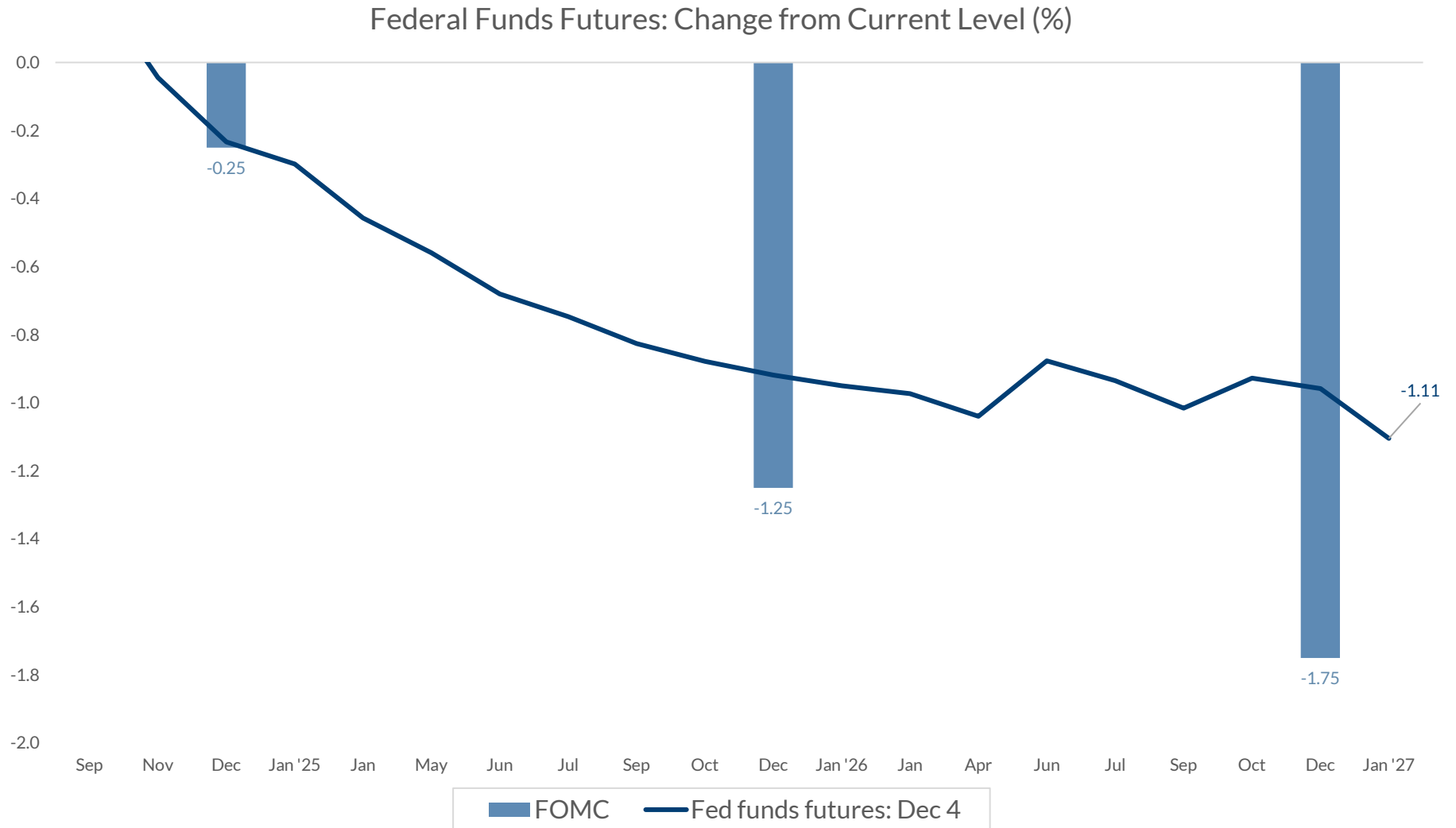
Source: Bloomberg Municipal 1-5yr Index, Bloomberg Taxable 1-5yr Government Credit Index, Bloomberg Municipal Short/Intermediate Index, Bloomberg Taxable Intermediate Government Credit Index, Bloomberg Municipal High Index, and Bloomberg US Corporate High Yield Index; investment grade and high yield municipal bond yield-to-worst is adjusted for 37% Federal tax rate + 3.8% Medicare Surcharge. All data as of November 30, 2024.

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Federal Funds Futures

- The market is currently expected fewer rate cuts than the FOMC projected as late as September 2024.



Source: Federal Reserve Bank, Bloomberg WIRP, CNR Research as of 12/4/2024

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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.

The Bloomberg US Municipal Bond Index measures the performance of investment grade, US dollar-denominated, long-term tax-exempt bonds.

The Bloomberg US Investment Grade Corporate Bond Index measures the performance of investment grade, corporate, fixed-rate bonds with maturities of one year or more.

Bloomberg Municipal Bond Muni Short (1-5) Index 1-5 year maturities of the US Municipal bond index.

The Bloomberg US 1-5 year Government/Credit Float-Adjusted Bond Index is a float-adjusted version of the US 1-5 year Government/Credit Index, which tracks the market for investment grade, US dollar-denominated, fixed-rate treasuries, government-related and corporate securities.

The Bloomberg Municipal Managed Money Short/ Intermediate Index is a market-value weighted index that measures the performance of publicly traded municipal bonds in the short/intermediate term tax-exempt bond market. The index includes: state and local general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds.

The Bloomberg U.S. Intermediate Government/Credit Index is an unmanaged index that measures the performance of investment grade, fixed-rate, taxable corporate and government-related debt securities with maturities of 1–10 years. The index is based on all publicly issued debt securities.

The Bloomberg Municipal High Yield Bond Index measures the performance of non-investment grade, US dollar-denominated, and non-rated, tax-exempt bonds.

The Bloomberg US Corporate High Yield Bond Index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Bloomberg EM country definition, are excluded.



Important Information

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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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