

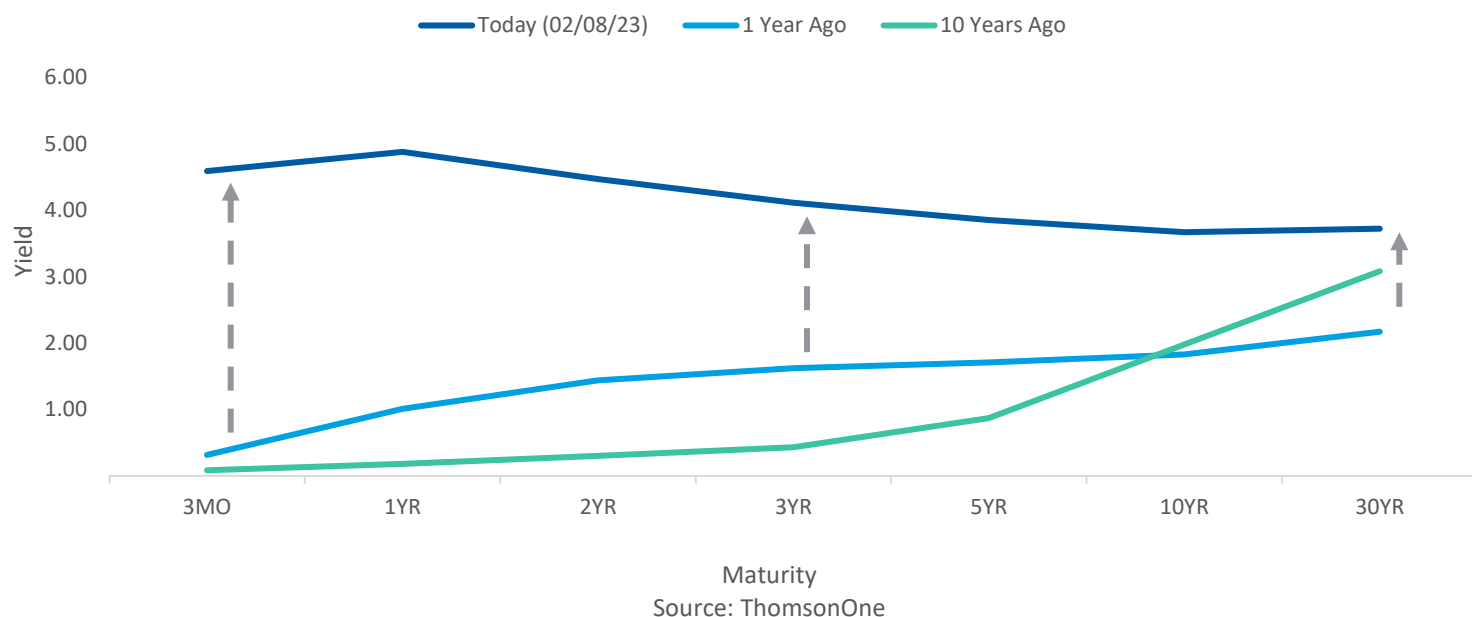
The Balog Group at Morgan Stanley

Charts of the Week – 02/13/2023

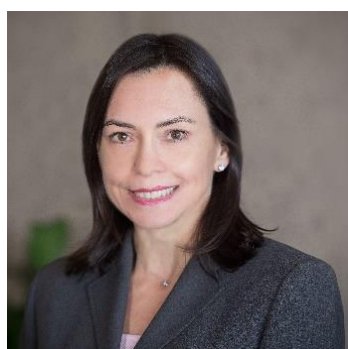
We've seen over the last 12 months a rather dramatic rise in interest rates, particularly on the short end of the curve. The last time the 1yr treasury reached this high of a point was back in 2007. See exhibit 1 for a comparison of what the yield curve looks like today vs. 1 year ago and 10 years ago. Exhibit 2 on the following page shows the rate difference seen between different types of bonds. Generally speaking, corporate bonds will pay a higher yield than treasuries and treasuries will pay a higher yield than municipalities. For more information on the different types of bonds and what we have to offer please give us a call.

Exhibit 1. Treasury Yield Curve as of 02/08/23

Interest rates are higher today than they have been at any point in the last decade. Rates on treasuries have particularly risen on the short-end of the curve.



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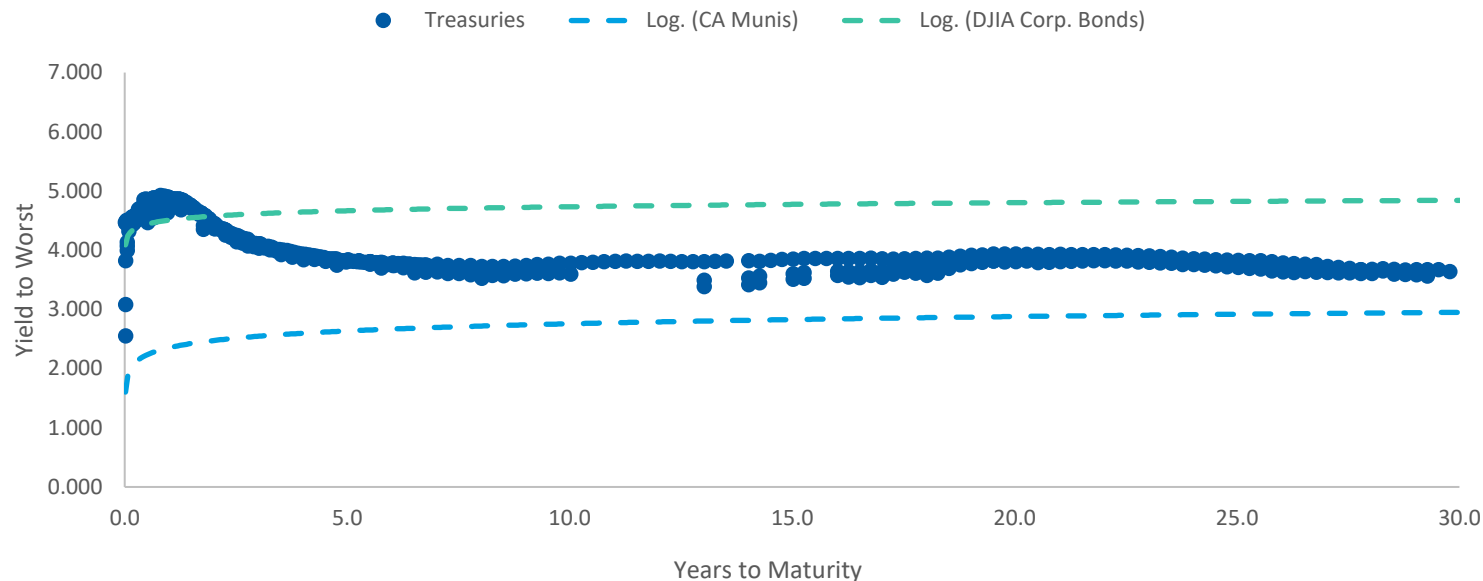


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Exhibit 2. Yield Curve of Treasuries vs. Munis vs. Corporates as of 02/09/23

Typically there will be a positive spread between corporate bond rates and US Treasuries due to the added risk. And usually there will be a negative spread between Treasuries and



Source: Morgan Stanley Fixed Income Offerings

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