

WEEKLY MARKET UPDATES

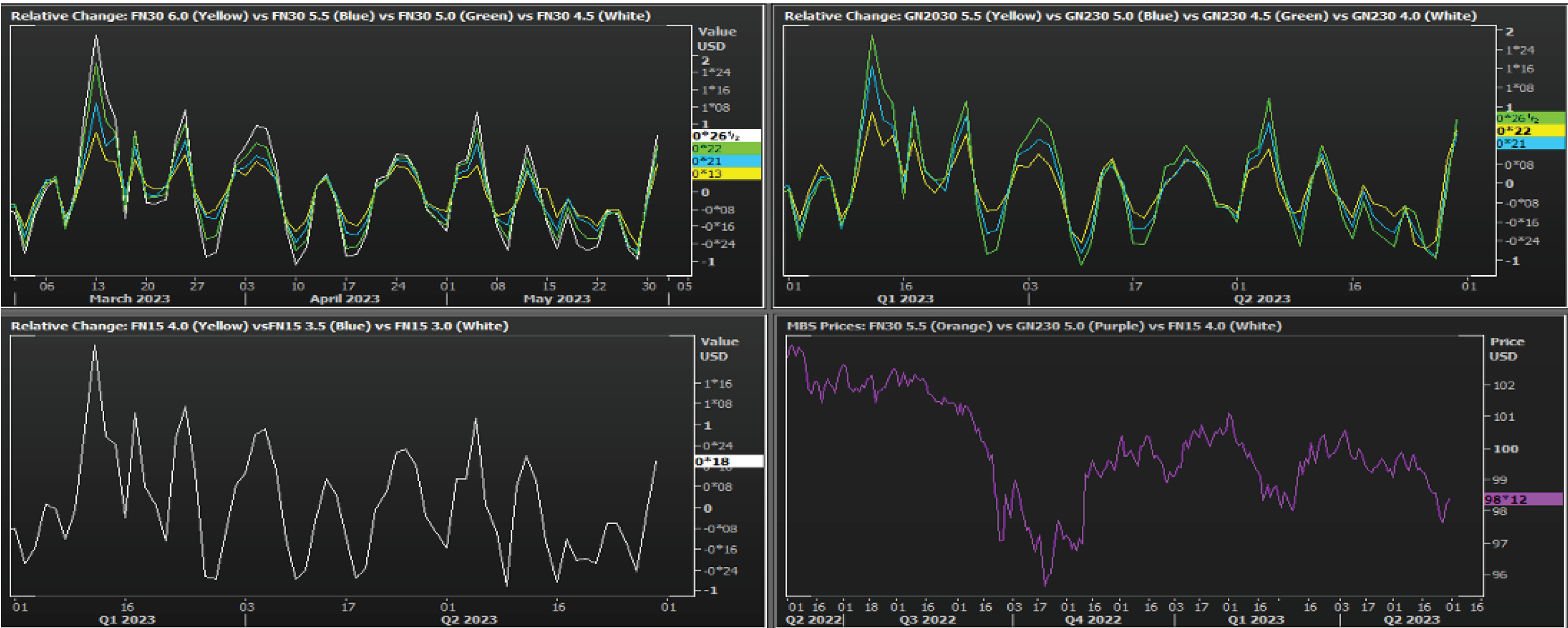
COMMENTARY FROM THE DENVER DESK...

The news cycle has been dominated by the debt ceiling over the past week, and while it appears that a deal has finally been reached, the threat of default remains until the bill can pass. The compromise legislation passed through the house rules committee, a major hurdle, but two Republican no votes allowed it to pass at a thin margin of 7-6. The final hurdle, a house vote, is set for 8:30PM EST Wednesday and is not without opposition as several factions in both parties have publicly denounced the bill and made clear they will vote against it. If the bill can get past the house this evening it will hopefully settle markets across the globe.

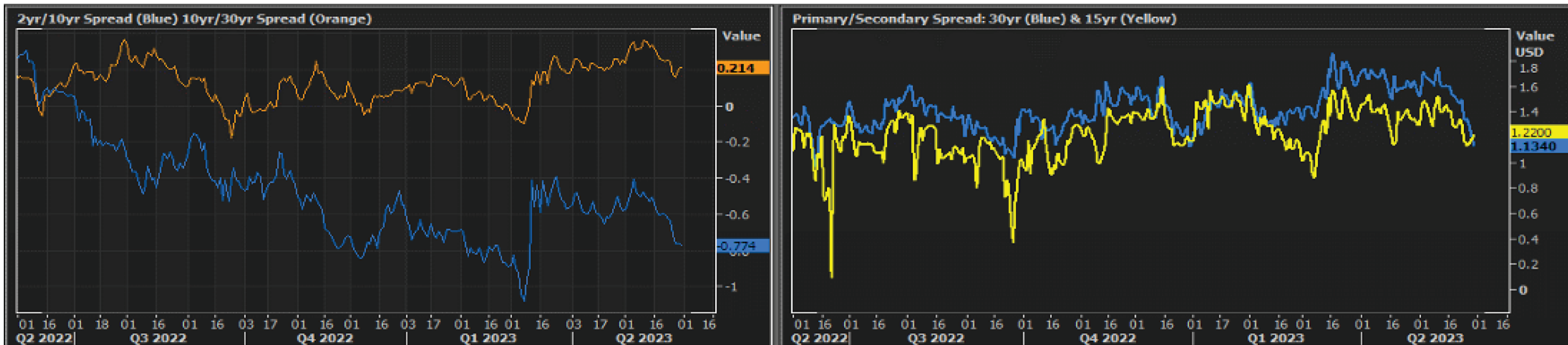
While the street continues to watch the debt ceiling negotiations, the week ahead is not without other important economic releases. Fed Governor Jefferson will speak Wednesday followed by Philadelphia Fed president Patrick Harker on Thursday which may shed some light on Fed policy moving forward. The non-farm payroll release on Friday will be a big one as the street watches to see if the labor market retains its current strength. A red-hot labor market coupled with continuing growth could lead the Fed to continue its cycle of cycle of hikes at the June meeting driving rates even further over the current OB MMI of 6.8%. As always please feel free to reach out to your analyst team if you have any questions or concerns about the week ahead.

MARKET INDICATORS

BENCHMARK	FN30 CURRENT CPN	FN30 5.5	FN15 5.0	GNII30 5.5	OBMMI 30-YR RATE
ONE WEEK AGO	5.622	99 21/32	99 22/32	99 22/32	6.657
CURRENT	5.606	99 22/32	99 17/32	99 21/32	6.8
DELTA	-0.016	0.031	-0.156	-0.031	0.143



BENCHMARK	SOFR	UST 2-YR. YIELD	UST 10-YR. YIELD	UST 30-YR. YIELD	10-YR./30-YR. SPREAD
ONE WEEK AGO	5.050	4.152	3.575	3.874	0.299
CURRENT	5.060	4.436	3.660	3.874	0.214
DELTA	-0.010	0.284	0.085	0.000	-0.085

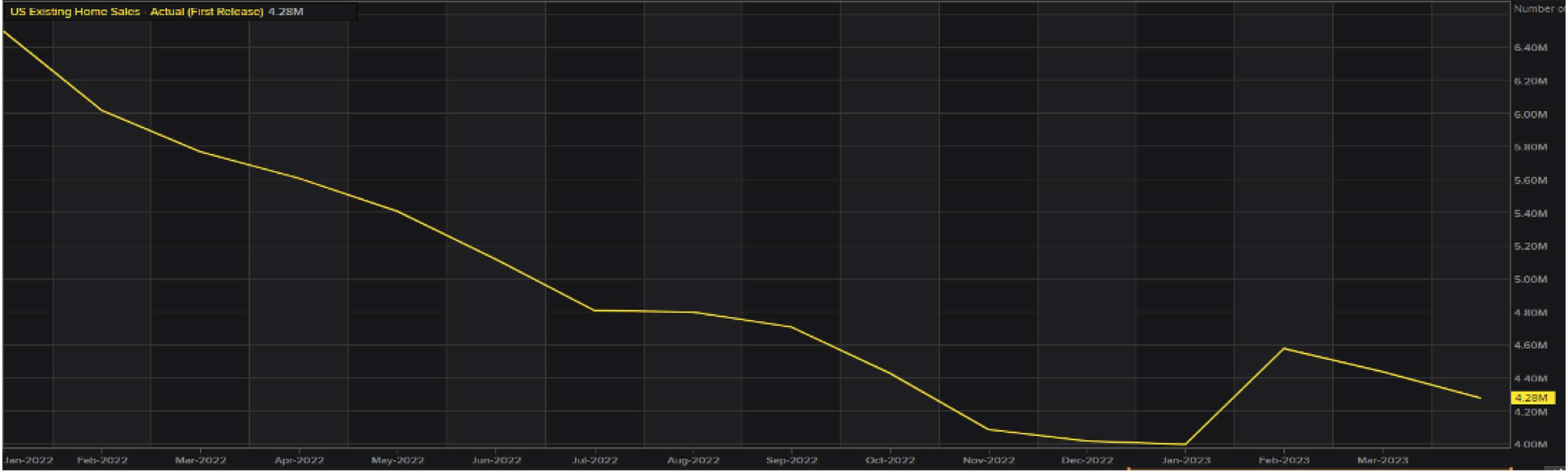


– Prices/Yields are current as of 1pm EST on May 31, 2023 –

THOMSON REUTERS Eikon

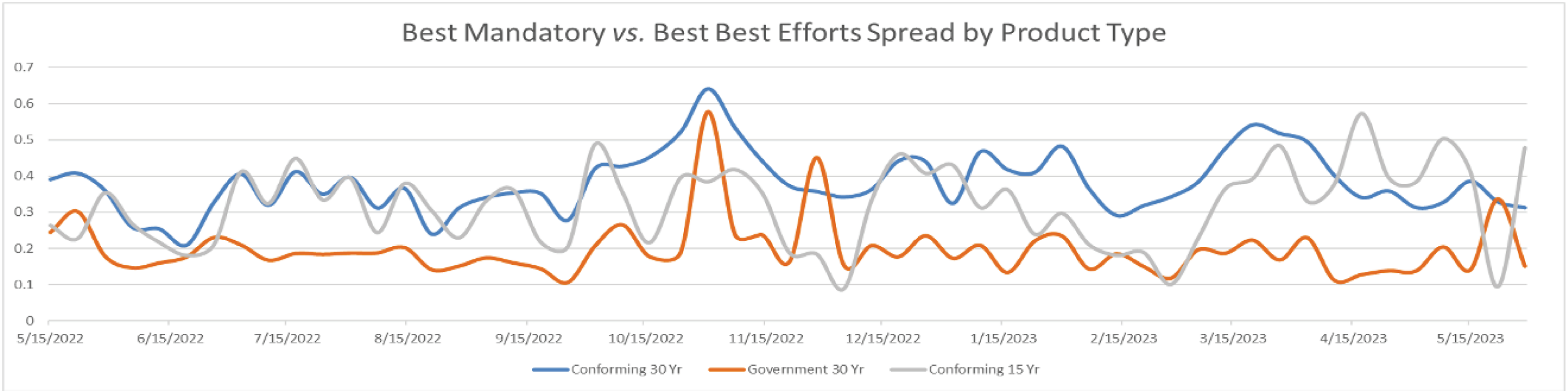
ECONOMIC DATA

Existing Home Sales	April	March	February	3-MO Moving Average	1-YR Moving Average
ACTUAL	4,280,000	4,440,000	4,580,000	4,433,333	4,575,833
EXPECTED	4,300,000	4,500,000	4,200,000		
CHANGE	(160,000)	(140,000)	580,000		



BEST EFFORTS – MANDATORY SPREAD INDEX

	Conforming 30-Year	Government 30-Year	Conforming 15-Year
Weekly	0.313	0.152	0.479
30 days	0.339	0.209	0.372
90 days	0.399	0.181	0.386
1 year	0.390	0.197	0.327



LIGHT READING

Reuters: US Debt Ceiling Bill Set for Tight Vote in House

ECONOMIC CALENDAR: DATA and EVENTS

TIME (ET)	REPORT	PERIOD	ACTUAL	MEDIAN FORECAST	PREVIOUS
WEDNESDAY, MAY 31					
9:45 AM	Chicago Business Barometer	May	40.4	47.3	48.6
10:00 AM	U.S. job openings	April	10.1	9.5 million	9.7 million
1:30 PM	Philadelphia Fed President Patrick Harker speaks				
1:30 PM	Fed Gov. Jefferson speaks				
2:00 PM	Federal Reserve Beige Book				
THURSDAY, JUNE 1					
8:15 AM	ADP employment	May		180,000	296,000
8:30 AM	Initial jobless claims			235,000	229,000
8:30 AM	U.S. productivity	Q1 (rev.)		-2.70%	-2.70%
9:45 AM	S&P U.S. manufacturing PMI	May	48.5	48.5	48.5
10:00 AM	ISM manufacturing	May	47.00%	47.10%	47.10%
10:00 AM	Construction spending	April	0.10%	0.30%	0.30%
1:00 PM	Philadelphia Fed President Patrick Harker speaks				
FRIDAY, JUNE 2					
8:30 AM	U.S. employment report	May		188,000	253,000
8:30 AM	U.S. unemployment rate	May		3.50%	3.40%
8:30 AM	U.S. hourly wages	May		0.30%	0.50%
8:30 AM	Hourly wages year over year	May		4.40%	4.50%
MONDAY, JUNE 5					
10:00 AM	Factory orders	April		--	0.70%
10:00 AM	ISM services	May			51.90%
TUESDAY, JUNE 6					
	None scheduled				