



Welcome to another Thursday edition of this week’s Weekly Review.

In terms of the bond market, interest rate volatility continues. With the exception of the front end of the curve, treasury yields are down as much as 25bps for the month as investors continue to struggle with the actual timing and trajectory of an eventual shift in monetary policy – from restrictive to more accommodative.

Released earlier this week, May’s Retail Sales report underscored a notable downshift in consumer spending after stronger readings earlier this year. Based on a recent Bloomberg survey, most economists expect spending will slow as financial stress – largely driven by persistently high prices – continues to weigh on consumers while Fed Chairman Powell stated at last week’s post-FOMC meeting press conference that consumer spending is “growing rapidly” and that the household sector is in “pretty good shape.” It’s all about perspective (I guess) and spin...

Looking forward, investors now wait for next week’s release of the Fed’s preferred inflation gauge – the Personal Consumption Expenditures (PCE) index. According to the median estimate of economists surveyed by Bloomberg, core PCE is expected to decline to an annualized rate of 2.6% in May from April’s 2.8% – edging closer to the Fed’s 2% target. On a monthly basis, core inflation is projected to increase only 0.1% – half of the previous month’s increase. Softer inflation news could be viewed favorably by the Fed as it could signal that inflationary pressures are once again waning.

Please feel free to reach out to us with your capital market-related questions. We always welcome the conversation...

Dennis Zimmerman Jr.  
 Senior Vice President  
 Senior Manager – Asset/Liability Services  
 Commerce Bank – Capital Markets Group (CMG)



### NEW ISSUE MUNICIPAL CALENDAR

Date	Amount (\$)	Description	Maturity
06/24/2024	213,365,000	St Louis MO Community College COPs	2028 - 2044
06/25/2024	7,295,000	Southern Jackson MO Fire Protection District GO	2033 - 2044
06/26/2024	13,500,000	Marion Hannibal MO School District 60	2030 - 2044
06/26/2024	8,300,000	Ford County, KS GO	2025 - 2044

Economic Release	Data Period	Date	Survey	Actual	Prior
Empire Manufacturing	Jun	06/17/2024	-10.0	-6.0	-15.6
Retail Sales Advance MoM	May	06/18/2024	0.3%	0.1%	-0.2% (rev down)
Retail Sales Adv. Ex Auto & Gas	May	06/18/2024	0.4%	0.1%	-0.3% (rev down)
Industrial Production MoM	May	06/18/2024	0.3%	0.9%	0.0%
MBA Mortgage Applications	Jun 14	06/19/2024	NA	0.9%	15.0%
Initial Jobless Claims	Jun 15	06/20/2024	235k	238k	243k (rev up)
Continuing Claims	Jun 8	06/20/2024	1,810k	1828k	1,813k (rev down)
Housing Starts	May	06/20/2024	1,370k	1277k	1,352k (rev down)
Building Permits	May	06/20/2024	1,450k	1386k	1,440k
Philadelphia Fed Bus. Outlook	Jun	06/20/2024	5.0	1.3	4.5

KEY INDICES				MUNI AA-BQ	
	Current	Last Month	One Year Ago		
Prime Rate	8.50	8.50	8.25	3 Mo.	3.27
Discount Rate	5.50	5.50	5.25	6 Mo.	3.43
Fed Funds Rate	5.33	5.33	5.08	1-Year	3.13
Interest on Reserve Bal.	5.40	5.40	5.15	2-Year	3.09
SOFR	5.33	5.31	5.05	3-Year	2.98
11th Dist COFI (ECOFC)	3.20	3.16	2.57	5-Year	2.90
1-Yr. CMT	5.10	5.14	5.24	7-Year	2.89
Dow	39,134.96	40,003.59	34,299.12	10-Year	2.89
NASDAQ	17,721.59	16,685.97	13,689.57	30-Year	3.90
S&P 500	5,548.75	5,303.27	4,409.59		
Bond Buyer	3.94	3.93	3.67		

Treasuries & New Issue Agencies (Spread to Treasuries)					CMO Spreads to Treasuries			
	Treasuries	Bullets	NC-6 Mo.	NC-1 Year	NC- 2 Year		PAC	Vanilla
3 Mo. Bill	5.37					1-Year	N/A	+50
6 Mo. Bill	5.35					2-Year	60	70
1-Year Bill	5.10					3-Year	85	100
2-Year Note	4.72	3	70	66		5-Year	105	115
3-Year Note	4.46	7	82	83	51			
5-Year Note	4.25	4	125	119	90			
7-Year Note	4.26	21	140	120	103			
10-Year Note	4.25	31	147	135	120			
20-Year Bond	4.50							
30-Year Bond	4.39							

MBS Current Coupon Yields	
GNMA 30 Yr.	5.51%
FNMA 30 Yr.	5.60%
FNMA 15 Yr.	5.05%

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