# Disclosures

SOURCES:

1. *From March 16 to May 21 (2020), the Fed purchased $1.5 trillion of U.S. Treasury securities and nearly $700 billion of Agency MBS—for a combined total of $2.2 trillion*. Source: Bloomberg. Fed MBS-TSY Purchases, as of 5/22/2020.

2. *The Fed undertook three rounds of quantitative easing post-Global Financial Crisis—from 2008 through 2015—in which the central bank increased the size of the balance sheet from $900 billion to $4.5 trillion.* Source: Bloomberg as of 5/20/2020. FARBAST Index, 05/20/2007 to 5/18/2016.

3. *Specific to MBS, estimates coming into the year projected agency MBS net supply for 2020 around $285 billion.* Source: Citigroup's Global Securitized Products Weekly, 3/22/2020.

4. *Agency MBS have still underperformed U.S. treasury securities year-to-date.* Source: Bloomberg. Bloomberg Barclays U.S. Mortgage Backed Securities Index, January 1 to May 27, 2020.

5. *During the week ending March 27, the investment grade primary market saw 49 issuers price $109 billion in new issue supply—the largest week of outstanding notional issuance in history. On average, order books were 6.7 times oversubscribed.* Source: Citigroup New Issue IB Chat, 3/30/2020.

6. *Year-to-date through May 28, over $1 trillion of U.S. investment grade debt has been issued. Issuance is up approximately 90% over the same period from 2019.* Source: CreditSights, US IG Chart of the Day: Top 25 New Issues, May 29, 2020.

7. *The cruise industry collectively has been able to raise $8 billion in the public bond markets over the past few weeks.* Source: Bloomberg News, May 19, 2020.

**Federal Funds Rate**: Interest rate at which a depository institution lends funds maintained at the Federal Reserve to another depository institution overnight.

**Yield**: Annual income from an investment such as dividend or interest payments divided by the current market price of the investment.

**Yield Spread**: Difference in yield from a Treasury security and another debt security of the same maturity.

The Bloomberg Barclays U.S. Mortgage Backed Securities Index tracks mortgage backed pass-through securities of Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC). The index is a total return index which reflects the price changes and interest of each bond in the index.

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