

MARKET COMMENTARY:

- [Bond Market Commentary](#)
- [Fixed Income Weekly Primer](#)
- [Economics – Dr. Scott Brown](#)

MARKET DATA:

- [Raymond James Market Numbers](#)
- [Weekly Rate Monitor](#)

OTHER IMPORTANT INFO:

- [Investing In Bonds and MSRB](#)
- [Raymond James Services and Products](#)
- [Fixed Income Overview](#)

				Yield to Maturity (%)			Spread to Treasuries (bp)*			Index Total Returns			
	Mat. Years	Effective Duration	Avg. Rating	Current	1-mo	1-yr Ago	Current	1-mo	1-yr Ago	Last Week	Last 30 Days	YTD	Last 12 Months
Treasury													
1-yr	0.98	0.97	AA+	1.68%	1.54%	0.91%	-	-	-	▲ 0.02%	▲ 0.01%	▲ 0.57%	▲ 0.64%
2-yr	1.98	1.94	AA+	1.80%	1.64%	1.10%	-	-	-	▼ -0.01%	▼ -0.16%	▲ 0.25%	▲ 0.20%
3-yr	2.94	2.85	AA+	1.91%	1.75%	1.37%	-	-	-	▼ -0.04%	▼ -0.33%	▲ 0.48%	▲ 0.41%
5-yr	4.98	4.74	AA+	2.14%	2.00%	1.82%	-	-	-	▼ -0.09%	▼ -0.46%	▲ 0.85%	▲ 0.54%
7-yr	6.98	6.41	AA+	2.30%	2.18%	2.18%	-	-	-	▼ -0.13%	▼ -0.48%	▲ 2.15%	▲ 2.00%
10-yr	9.94	8.77	AA+	2.38%	2.33%	2.39%	-	-	-	▼ -0.15%	▼ -0.42%	▲ 2.21%	▲ 2.00%
30-yr	29.94	20.61	AA+	2.77%	2.78%	3.08%	-	-	-	▼ -0.27%	▲ 0.39%	▲ 8.21%	▲ 9.17%
Govt/Agency													
Treasury	7.42	6.14	AA+	2.14%	2.02%	1.81%	-	-	-	▼ -0.09%	▼ -0.23%	▲ 2.22%	▲ 2.23%
1-3 Years	1.93	1.86	AA+	1.81%	1.64%	1.12%	-	-	-	▼ -0.02%	▼ -0.15%	▲ 0.42%	▲ 0.41%
3-7 Years	4.76	4.45	AA+	2.12%	1.97%	1.80%	-	-	-	▼ -0.08%	▼ -0.42%	▲ 1.35%	▲ 1.19%
7-10 Years	8.49	7.64	AA+	2.36%	2.27%	2.34%	-	-	-	▼ -0.13%	▼ -0.42%	▲ 2.58%	▲ 2.53%
10+ Years	25.61	17.66	AA+	2.72%	2.71%	3.01%	-	-	-	▼ -0.25%	▲ 0.18%	▲ 7.88%	▲ 8.51%
TIPS	8.80	5.87	AA+	0.43%	0.30%	0.21%	-	-	-	▼ -0.04%	▼ -0.06%	▲ 2.71%	▲ 2.53%
1-5 Years	3.00	2.20	AA+	0.23%	-0.04%	-0.36%	-	-	-	▼ -0.04%	▼ -0.32%	▲ 0.69%	▲ 0.72%
5-10 Years	7.39	5.09	AA+	0.42%	0.33%	0.29%	-	-	-	▼ -0.01%	▼ -0.16%	▲ 2.57%	▲ 2.26%
10+ Years	21.38	12.22	AA+	0.72%	0.71%	0.82%	-	-	-	▼ -0.08%	▲ 0.46%	▲ 5.85%	▲ 5.58%
Agency	4.80	4.28	AA+	2.17%	2.04%	1.78%	15.41	16.17	20.75	▼ -0.05%	▼ -0.19%	▲ 2.21%	▲ 2.15%
1-5 Years	2.30	2.27	AA+	1.93%	1.77%	1.36%	6.93	7.55	10.03	▼ -0.03%	▼ -0.19%	▲ 0.83%	▲ 0.79%
7-10 Years	8.55	7.70	AA+	2.56%	2.49%	2.62%	20.00	20.92	28.76	▼ -0.13%	▼ -0.32%	▲ 3.98%	▲ 3.76%
10+ Years	16.28	10.67	AA+	2.92%	2.87%	3.25%	45.19	46.37	64.37	▼ -0.11%	▼ -0.13%	▲ 7.22%	▲ 7.15%
Collateralized													
Asset-Backed	2.59	2.48	AAA	2.22%	2.07%	1.74%	34.90	35.73	39.60	▼ -0.05%	▼ -0.16%	▲ 1.44%	▲ 1.19%
Mtg-Backed	6.11	4.17	AA+	2.85%	2.78%	2.78%	23.29	24.01	10.39	▲ 0.07%	▼ -0.06%	▲ 2.39%	▲ 2.30%
GNMA 30-yr	6.01	4.12	AA+	2.81%	2.74%	2.68%	13.77	14.83	(12.33)	▲ 0.04%	▼ -0.08%	▲ 1.83%	▲ 1.70%
FHLMC 30-yr	6.50	4.30	AA+	2.97%	2.89%	2.93%	30.62	30.92	20.72	▲ 0.08%	▼ -0.04%	▲ 2.76%	▲ 2.66%
FNMA 30-yr	6.65	4.38	AA+	2.96%	2.89%	2.95%	28.26	28.92	18.58	▲ 0.09%	▼ -0.02%	▲ 2.80%	▲ 2.75%
Broad IG Index													
Citi BIG Index	7.87	5.91	AA	2.68%	2.58%	2.54%	38.04	39.00	43.81	▼ -0.03%	▼ -0.06%	▲ 3.39%	▲ 3.49%
1-10 Years	4.87	4.02	AA	2.50%	2.38%	2.28%	27.46	28.05	31.75	▼ -0.01%	▼ -0.18%	▲ 2.22%	▲ 2.16%
10+ Years	24.58	15.37	A+	3.57%	3.58%	4.01%	90.77	94.02	111.09	▼ -0.13%	▲ 0.57%	▲ 9.80%	▲ 10.81%
IG Credit													
Citi IG Corporate	10.65	7.48	A-	3.27%	3.19%	3.35%	99.24	101.89	128.12	▼ -0.02%	▲ 0.15%	▲ 5.91%	▲ 6.39%
1-3 Years	1.98	1.88	A-	2.30%	2.14%	1.92%	48.04	48.45	80.23	▲ 0.02%	▼ -0.09%	▲ 1.67%	▲ 1.82%
3-7 Years	4.72	4.24	A-	2.89%	2.74%	2.88%	75.83	76.22	106.77	▼ -0.03%	▼ -0.26%	▲ 3.76%	▲ 3.80%
7-10 Years	8.41	7.14	A-	3.42%	3.36%	3.67%	106.51	109.86	135.52	▼ -0.03%	▼ -0.06%	▲ 5.76%	▲ 6.02%
10+ Years	24.03	14.09	A-	4.10%	4.14%	4.63%	147.30	153.45	178.40	▼ -0.02%	▲ 0.81%	▲ 10.90%	▲ 12.30%
Finance	7.40	5.78	A-	3.03%	2.94%	3.09%	86.55	89.33	121.66	▼ -0.01%	▲ 0.09%	▲ 5.11%	▲ 5.48%
Industrial	11.38	7.87	A-	3.31%	3.24%	3.43%	101.55	104.02	130.04	▲ 0.00%	▲ 0.16%	▲ 6.15%	▲ 6.69%
Utility	15.32	9.78	A-	3.60%	3.55%	3.66%	119.24	122.24	135.65	▼ -0.10%	▲ 0.27%	▲ 6.73%	▲ 7.27%
AA - Rated	9.82	7.07	AA	2.81%	2.71%	2.73%	58.83	60.51	76.99	▼ -0.12%	▲ 0.09%	▲ 4.58%	▲ 4.90%
Finance	5.17	4.35	AA-	2.55%	2.41%	2.38%	52.62	52.48	75.01	▼ -0.09%	▼ -0.16%	▲ 2.88%	▲ 3.04%
Industrial	11.28	7.94	AA	2.88%	2.80%	2.84%	60.58	62.93	77.57	▼ -0.13%	▲ 0.17%	▲ 5.14%	▲ 5.53%
Utility	13.86	9.81	AA-	3.54%	3.61%	3.62%	106.01	118.06	99.57	▼ -0.35%	▲ 0.97%	▲ 8.79%	▲ 4.59%
A - Rated	10.65	7.71	A	3.04%	2.97%	3.12%	77.26	79.93	103.53	▼ -0.04%	▲ 0.16%	▲ 5.58%	▲ 6.01%
Finance	7.37	5.79	A	2.87%	2.78%	2.90%	71.61	73.79	103.10	▼ -0.01%	▲ 0.04%	▲ 4.65%	▲ 4.93%
Industrial	11.53	8.13	A	3.07%	3.01%	3.18%	77.07	80.17	102.37	▼ -0.06%	▲ 0.24%	▲ 5.79%	▲ 6.29%
Utility	16.90	11.08	A	3.40%	3.35%	3.55%	93.58	94.75	110.15	▼ -0.08%	▲ 0.16%	▲ 7.30%	▲ 7.90%
BBB - Rated	10.58	7.27	BBB	3.56%	3.47%	3.70%	127.54	129.13	161.86	▲ 0.04%	▲ 0.14%	▲ 6.41%	▲ 6.98%
Finance	7.90	6.03	BBB	3.30%	3.19%	3.42%	109.11	110.31	149.09	▲ 0.01%	▲ 0.17%	▲ 5.98%	▲ 6.49%
Industrial	10.89	7.47	BBB	3.63%	3.55%	3.85%	133.68	135.63	172.04	▲ 0.09%	▲ 0.06%	▲ 6.65%	▲ 7.28%
Utility	14.27	8.90	BBB+	3.74%	3.69%	3.72%	137.49	141.11	150.60	▼ -0.12%	▲ 0.34%	▲ 6.33%	▲ 6.86%
High Yield													
Broad HY Index	6.13	3.78	B+	6.29%	6.24%	6.56%	377.70	384.35	447.36	▲ 0.04%	▲ 0.33%	▲ 6.65%	▲ 7.44%
1-7 Years	4.56	2.71	B+	6.45%	6.39%	6.70%	389.77	396.64	471.79	▲ 0.03%	▲ 0.26%	▲ 5.95%	▲ 6.78%
7-10 Years	7.99	5.46	B+	5.81%	5.77%	5.98%	338.22	344.70	368.04	▲ 0.05%	▲ 0.52%	▲ 7.51%	▲ 8.27%
10+ Years	17.94	9.87	BB-	6.65%	6.66%	7.28%	416.27	422.19	470.13	▲ 0.28%	▲ 0.44%	▲ 12.46%	▲ 12.81%
BB - Rated	6.60	4.13	BB	4.82%	4.79%	5.17%	236.40	243.48	304.11	▲ 0.02%	▲ 0.15%	▲ 6.82%	▲ 7.27%
B - Rated	5.92	3.50	B	6.45%	6.42%	6.72%	382.25	390.82	466.35	▲ 0.07%	▲ 0.51%	▲ 6.55%	▲ 7.50%

*OAS Yield spreads are the difference in yield that investors require compared to similar maturity Treasuries. Measured in basis points (1/100 of 1% or 0.01%)

Fixed Income “Heat Map”: Index Returns and Yields

	Avg. Mat	# Issues	Index Returns					Index Yields (in percent)				
			Last Week	M/M	QTD	YTD	1-yr	Last Week	Mo. Ago	Beg. Qtr	Beg. Year	Year Ago
Citi Broad IG Corp. Index	10.65	6,185	-0.02%	0.15%	0.72%	5.91%	6.39%	3.27	3.19	3.17	3.34	3.35
Industrials	11.38	3,575	0.00%	0.16%	0.75%	6.15%	6.69%	3.31	3.24	3.22	3.42	3.43
Manufacturing	10.27	1,192	-0.05%	0.20%	0.69%	6.09%	6.44%	3.19	3.11	3.07	3.27	3.27
Aero/Defense	11.77	102	-0.01%	-0.07%	0.87%	5.71%	6.12%	3.14	3.05	3.08	3.21	3.21
Automobile	6.46	118	-0.03%	0.17%	0.74%	4.91%	5.16%	3.06	2.96	2.94	3.03	3.03
Building Prods	12.70	32	-0.08%	-0.04%	0.67%	6.82%	7.01%	3.56	3.39	3.45	3.68	3.61
Chemicals	11.05	141	0.09%	0.00%	0.99%	7.02%	7.53%	3.31	3.20	3.23	3.48	3.49
Conglom/Div Mfg	11.55	162	-0.08%	-0.09%	0.56%	4.96%	5.25%	3.15	3.06	3.04	3.06	3.04
Electronics	8.92	191	-0.08%	0.07%	-0.07%	4.58%	4.84%	3.08	2.99	2.88	3.06	3.07
Info Tech	11.36	202	-0.17%	0.53%	0.56%	6.23%	6.66%	3.16	3.10	3.03	3.21	3.19
Machinery	7.04	87	-0.04%	-0.10%	0.58%	4.11%	4.31%	2.72	2.58	2.55	2.62	2.62
Metals/Mining	13.73	73	0.23%	0.87%	2.94%	13.74%	14.28%	3.86	3.88	3.97	4.37	4.38
Paper/Forest Prod	13.34	40	0.12%	0.29%	1.49%	9.37%	9.63%	3.70	3.59	3.62	4.07	4.03
Textiles/Apparel	16.37	9	-0.04%	0.21%	1.57%	6.44%	7.36%	3.26	3.21	3.19	3.38	3.41
Vehicle Parts	10.45	15	0.21%	0.41%	1.30%	6.94%	7.25%	3.46	3.44	3.49	3.84	3.84
Other Manf	6.81	17	0.27%	-0.15%	0.44%	6.87%	6.74%	3.15	3.06	3.10	3.65	3.55
Energy	11.57	616	0.03%	-0.30%	1.43%	6.94%	8.08%	3.59	3.46	3.57	3.73	3.80
Gas-Pipelines	12.37	276	-0.01%	-0.63%	1.06%	7.27%	8.67%	3.91	3.77	3.88	4.13	4.22
Oil & Gas	10.87	312	0.06%	-0.08%	1.66%	6.76%	7.79%	3.37	3.25	3.35	3.45	3.51
Machinery & Svs	13.80	28	0.05%	-0.49%	1.39%	6.64%	7.18%	3.82	3.65	3.94	4.18	4.20
Service	12.14	1,155	0.04%	0.36%	0.51%	6.05%	6.49%	3.36	3.32	3.25	3.46	3.46
Cable/Media	13.58	200	0.19%	0.74%	0.72%	6.49%	6.91%	3.74	3.74	3.65	3.88	3.88
Gaming/Lodging	5.97	39	-0.03%	-0.19%	0.45%	5.03%	5.13%	3.33	3.18	3.21	3.30	3.27
Healthcare	9.70	141	0.11%	0.34%	0.32%	5.09%	5.40%	3.14	3.09	3.00	3.15	3.14
Pharma	11.44	278	-0.03%	0.24%	0.01%	6.16%	6.64%	3.26	3.20	3.08	3.38	3.38
Publishing	8.52	12	0.17%	0.44%	1.11%	6.08%	6.16%	3.25	3.24	3.26	3.49	3.46
Restaurants	12.17	30	-0.11%	0.15%	1.04%	6.84%	7.63%	3.17	3.10	3.13	3.29	3.32
Retail - Food/Drugs	10.83	56	0.46%	0.70%	0.10%	3.84%	4.48%	3.45	3.44	3.29	3.31	3.33
Retail - Stores/Other	11.93	185	-0.06%	0.38%	1.18%	5.63%	6.20%	3.24	3.20	3.24	3.34	3.36
Service - Other	15.62	211	-0.08%	0.11%	0.91%	7.13%	7.37%	3.39	3.33	3.32	3.53	3.52
Transportation	14.75	228	-0.02%	0.23%	1.19%	6.92%	7.33%	3.28	3.25	3.25	3.51	3.46
Airlines	5.80	41	0.13%	0.37%	0.33%	5.50%	4.18%	3.11	3.11	3.02	3.55	3.29
Railroads	18.45	130	-0.04%	0.34%	1.68%	7.76%	8.65%	3.37	3.36	3.40	3.61	3.61
Trans - Other	12.98	57	-0.05%	-0.11%	0.62%	5.99%	6.47%	3.18	3.08	3.07	3.24	3.22
Consumer	10.91	384	-0.06%	0.10%	0.46%	5.16%	5.62%	3.15	3.07	3.04	3.19	3.20
Beverage/Bottling	10.69	127	-0.08%	0.15%	0.40%	5.36%	6.00%	3.03	2.96	2.91	3.12	3.14
Cons Prod	9.59	107	-0.06%	0.08%	0.23%	3.97%	4.28%	3.02	2.92	2.86	2.94	2.93
Food	11.59	95	0.02%	0.03%	0.66%	5.67%	5.78%	3.39	3.32	3.32	3.48	3.46
Tobacco	11.94	55	-0.07%	0.06%	0.59%	5.09%	5.60%	3.29	3.23	3.20	3.28	3.29
Utilities	15.32	1,002	-0.10%	0.27%	1.09%	6.73%	7.27%	3.60	3.55	3.55	3.65	3.66
Electric	14.99	760	-0.08%	0.08%	1.35%	6.91%	7.33%	3.36	3.29	3.33	3.48	3.48
Gas- Local Dist	16.81	54	-0.28%	0.06%	1.86%	8.09%	8.86%	3.64	3.60	3.69	3.69	3.72
Power	9.69	27	0.14%	0.28%	1.50%	8.10%	8.40%	3.50	3.41	3.48	3.80	3.80
Telecomm	15.94	146	-0.14%	0.54%	0.63%	6.21%	6.91%	3.95	3.91	3.84	3.87	3.89
Utility - Other	16.02	15	0.12%	0.30%	1.70%	8.37%	8.70%	3.45	3.43	3.50	3.86	3.84
Finance	7.40	1,608	-0.01%	0.09%	0.49%	5.11%	5.48%	3.03	2.94	2.92	3.08	3.09
Banking	6.43	755	-0.02%	0.09%	0.44%	4.74%	5.12%	2.92	2.83	2.80	2.94	2.96
Finance - Other	6.57	124	0.00%	-0.17%	0.28%	4.36%	4.65%	2.89	2.76	2.72	2.86	2.86
Ind. Finance	10.13	11	-0.18%	0.00%	-0.26%	4.35%	4.89%	3.28	3.20	3.13	3.35	3.38
Lease Finance	4.27	30	-0.06%	-0.38%	0.17%	4.89%	5.04%	2.96	2.73	2.71	3.27	3.28
Life Insurance	13.19	187	-0.08%	0.48%	0.79%	7.18%	7.77%	3.37	3.33	3.32	3.48	3.49
Prop & Casualty	12.82	139	0.23%	0.28%	1.22%	7.39%	8.18%	3.44	3.40	3.41	3.65	3.68
REITs	7.34	320	0.05%	-0.12%	0.56%	5.52%	5.42%	3.38	3.28	3.30	3.52	3.45
Securities	7.73	42	0.09%	-0.10%	0.61%	6.00%	6.37%	3.17	3.10	3.09	3.34	3.33

Index returns are total return. The “Heat Map” is arranged by column and indicates a scale of the largest values (green) to the smallest values (red).

Disclosures:

Investors should discuss the risks inherent in bonds with their Raymond James Financial Advisor. Past performance is no assurance of future results.

Diversification and asset allocation do not ensure a profit or protect against a loss. Investments are subject to market risk, including possible loss of principal. This communication is intended to improve the efficiency with which Financial Advisors obtain information relevant to their client's taxable fixed income holdings. This information should not be construed as a directive from the RJ&A Taxable Fixed Income Department to buy or sell the securities noted above. Prior to transacting in any security, investors are urged to discuss the suitability, potential returns, and associated risks of the transactions(s) with their Raymond James Financial Advisor.

The information contained herein has been prepared from sources believed reliable but is not guaranteed by Raymond James & Associates, Inc. (RJA) and is not a complete summary or statement of all available data, nor is it to be construed as an offer to buy or sell any securities referred to herein. Trading ideas expressed are subject to change without notice and do not take into account the particular investment objectives, financial situation or needs of individual investors. Investors are urged to obtain and review the relevant documents in their entirety. RJA is providing this communication on the condition that it will not form the primary basis for any investment decision you may make. Furthermore, because these are only trade ideas, investors should assume that RJA will not produce any follow-up. Employees of RJA or its affiliates may, at times, release written or oral commentary, technical analysis or trading strategies that differ from the opinions expressed within. RJA and/or its employees involved in the preparation or the issuance of this communication may have positions in the securities discussed herein. Securities identified herein are subject to availability and changes in price. All prices and/or yields are indications for informational purposes only. Additional information is available upon request.

A credit rating of a security is not a recommendation to buy, sell or hold securities and may be subject to review, revisions, suspension, reduction or withdrawal at any time by the assigning rating agency.

All investment-grade fixed income index data provided by the Citi US Broad Investment Grade Bond Index (BIG) and its associated sub-indices. Inclusion in this index requires a stated coupon that is fixed, a minimum maturity of one year US Treasuries: US\$5 billion public amount outstanding, US agencies and supranationals: US\$1 billion, Corporate and asset-backed: US\$250 million, Mortgage: *Entry*: US\$1 billion minimum amount outstanding per origination year generic when the coupon has a minimum amount outstanding of US\$5 billion. *Exit*: An origination year generic will exit when its amount outstanding falls below US\$1 billion. If the amount outstanding for the coupon falls below US\$2.5 billion, all corresponding origination year generics will be removed from the index. Minimum quality is BBB-/Baa3 by either S&P or Moody's.

The Citigroup US BIG Corporate Index is a sub-index of the Citi BIG Index and follows the same parameters listed above but restricts securities to US and non-US corporate securities (excludes U.S. Government Guaranteed and Non-US sovereign and provincial securities). Corporate industry sector classifications are based on Citi's proprietary Global Industry Code (GLIC) and Corporate Bond Sector Code (COBS) profiles which are derived from the North American Industry Classification System (NAICS). NAICS is the industry standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing and publishing statistical data related to the US business economy.

High-yield bonds are not suitable for all investors. The risk of default may increase due to changes in the issuer's credit quality. Price changes may occur due to changes in interest rates and the liquidity of the bond. When appropriate, these bonds should only comprise a modest portion of your portfolio.

All high yield fixed income data provided by the Citi High-Yield Cash-Pay Index and its associated sub-indices. Inclusion in this index requires US\$100 million minimum outstanding per issue when the issuer has a minimum of US\$400 million total outstanding debt that qualifies for inclusion, or US\$200 million minimum outstanding per issue when the issuer does not meet the US\$400 million minimum. A bond will exit when its amount outstanding falls below US\$100 million par amount. An issuer that has already satisfied the US\$400 million requirement will remain in the index — even if the total par amount outstanding of its bonds drops below the US\$400 million minimum. Minimum quality is C by S&P or Moody's with a maximum quality of BB+/BA1 by both S&P and Moody's.

Links are being provided for information purposes only. Raymond James is not affiliated with and does not endorse, authorize or sponsor any of the listed web sites or their respective sponsors. Raymond James is not responsible for the content of any web site or the collection or use of information regarding any web site's users and/or members.

Index returns do not reflect the deduction of fees, trading costs or other expenses. The Index is referred to for informational purposes only; the composition of each Index is different from the composition of the accounts managed by the investment manager. Investors may not make direct investments into any index. Past performance may not be indicative of future results.

There is an inverse relationship between interest rate movements and fixed income prices. Generally, when interest rates rise, fixed income prices fall and when interest rates fall, fixed income prices rise.

U.S. Treasury bills are guaranteed by the U.S. government and, if held to maturity, offer a fixed rate of return and guaranteed principal value. Treasury bills are certificates reflecting short-term obligations of the U.S. government.

Raymond James & Associates, Inc., member New York Stock Exchange/SIPC. Raymond James Financial Services, Inc., member FINRA/SIPC.

Ref. 2017-037056 until 07/17/2018

© 2017 Raymond James & Associates, Inc., member New York Stock Exchange/SIPC

© 2017 Raymond James Financial Services, Inc., member FINRA/SIPC

Raymond James Corporate Headquarters • 880 Carillon Parkway, St. Petersburg, FL 33716