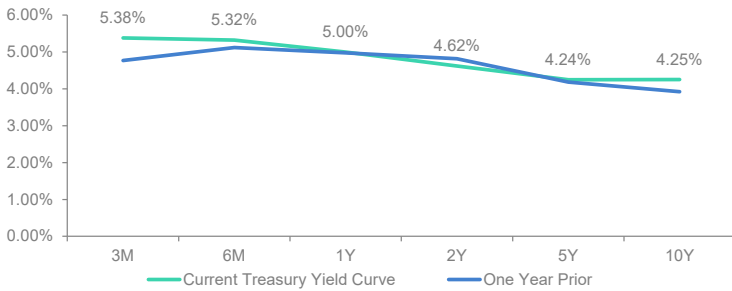
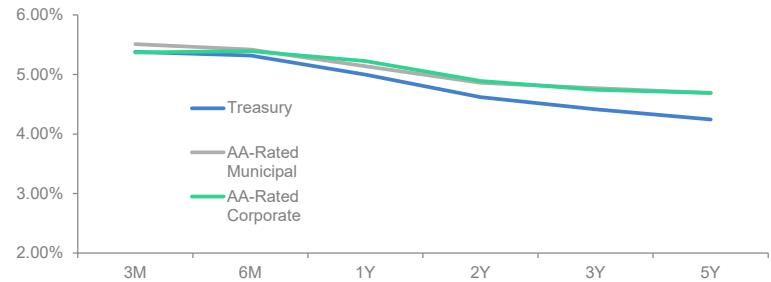


## Treasury Yield Curve



Source: Bloomberg Finance L.P. 2/29/24

## Market Yields



Source: Bloomberg Finance L.P. 2/29/24

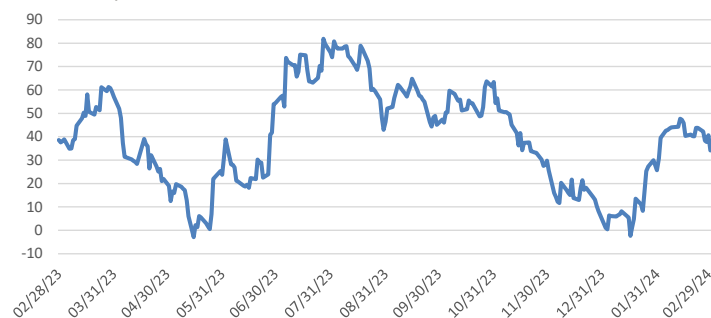
## FEATURED MARKET DATA

### Economic Growth Propels Stocks

Strong economic data helped lift the S&P 500 by 5.17% in February as markets also priced in a Federal Reserve that may be slower to cut rates. The Citi Surprise Index, which compares forecasted economic data to reported data, rose in early February on higher employment and inflation data. While economic data cooled later in the month, strong earnings for publicly traded companies, including excitement around Nvidia's earnings and artificial intelligence more broadly, also contributed to higher stock prices. Small cap stocks also performed well in February.

Source: Bloomberg

### Citi Surprise Index



Source: Bloomberg

## U.S. Economic Indicators

Event	Event Date	Period	Survey	Actual	Prior / Revised (R)
Core CPI (MoM)	02/13/24	JAN	0.3%	0.4%	0.3%
Consumer Price Index (YoY)	02/13/24	JAN	2.9%	3.1%	3.4%
Existing Home Sales	02/22/24	JAN	3.97mm	4.00mm	3.88mm (R)
Consumer Confidence	02/27/24	FEB	115.0	106.7	110.9 (R)
GDP Annualized QoQ	02/28/24	4Q S	3.3%	3.2%	3.3%
Personal Income	02/29/24	JAN	0.4%	1.0%	0.3%
Personal Spending	02/29/24	JAN	0.2%	0.2%	0.7%
Core PCE (YoY)	02/29/24	JAN	2.8%	2.8%	2.9%
ISM Manufacturing	03/01/24	FEB	49.5	47.8	49.1

Source: Bloomberg Finance L.P. 2/29/24. Glossary terms on following page.

## RECENT NEWS

### Treasury Yields Rise

A higher than expected CPI report contributed to a shift back in market expectations for when the Fed will first cut rates. While some analysts have attributed the higher CPI to seasonal factors, other strong economic data further supported expectations for fewer Fed rate cuts in 2024. The market had priced in rate cuts as soon as March, but those expectations are now mostly priced in for June with three 2024 rate cuts priced into markets. Treasury yields moved higher as expectations evolved. The 2-year U.S. Treasury yield rose 41 basis points to 4.62% at the end of February. The 10-year also advanced 34 basis points to 4.25%.

Source: Bloomberg

## Contact Information

### JOHN M. HUBER, CFA

Senior Vice President, Chief Investment Officer

PMA Asset Management, LLC  
2135 CityGate Lane, 7th Floor  
Naperville, IL 60563

Tel: (612) 509-2580

Email: [jhuber@pmanetwork.com](mailto:jhuber@pmanetwork.com)

# Glossary of Terms

Term	What is it:
<b>Building Permits</b>	Records the number of permits for future housing construction.
<b>Capacity Utilization</b>	Tracks the extent to which capacity is being used in the production of goods and services.
<b>Change in Nonfarm Payrolls</b>	This indicator measures the change in the number of employees on business and government payrolls.
<b>Chicago Fed National Activity Index</b>	A nationwide measure of economic activity and inflation pressures. An index value of zero indicates that the national economy is expanding at its historical trend rate of growth.
<b>Consumer Confidence</b>	Index examines how consumers feel about jobs, the economy and spending.
<b>Consumer Price Index (CPI)</b>	Measures the average change in retail prices over time for a basket consisting of more than 200 categories of assorted goods and services paid directly by consumers.
<b>Core Consumer Price Index (Core CPI)</b>	This measure of CPI excludes food and energy costs.
<b>Durable Goods Orders</b>	A measure of new orders placed with domestic manufacturers for durable goods, which are items that last three years or more.
<b>Existing Home Sales</b>	Measures monthly sales of previously owned single-family homes.
<b>GDP Annualized QoQ</b>	Measures the annualized quarterly growth of the final market value of all goods and services produced within a country. GDP is the foremost report on how fast or slow the economy is growing.
<b>Housing Starts</b>	Records the number of new housing units started during a period.
<b>Index of Leading Economic Indicators (LEI)</b>	An index designed to predict the direction of the economy.
<b>Initial Jobless Claims</b>	Tracks new filings for unemployment insurance benefits.
<b>ISM Manufacturing</b>	Measures manufacturing activity based on a monthly survey of purchasing managers.
<b>MBA Mortgage Applications</b>	The Mortgage Bankers Association's weekly mortgage application survey includes home loan application activity for conventional and government loans for home purchases and refinances.
<b>Mortgage Delinquencies</b>	A measure of the percent of total conventional and government loans which are at least one payment past due, but not in the process of foreclosure.
<b>Personal Consumption Expenditure (PCE)</b>	The Federal Reserve's preferred measure of inflation tracks overall price changes for goods and services. Core PCE excludes food and energy.
<b>Personal Income and Spending</b>	Index records the income Americans receive, how much they spend, and what they save.
<b>Retail Sales</b>	Tracks the sale of new and used goods for personal or household consumption.
<b>Retail Sales Ex. Auto</b>	Retail sales excluding motor vehicles and parts.
<b>S&amp;P Case-Shiller Home Price Index</b>	Tracks the value of single-family housing within the U.S. There are multiple indexes including the 20-City Composite.
<b>Unemployment Rate</b>	The U-3 unemployment rates tracks the percentage of the civilian workforce that is unemployed.

Source: Bloomberg, The Secrets of Economic Indicators by Bernard Baumohl; PMA Asset Management, LLC

This document was prepared by PMA Asset Management, LLC for clients of the firm and its affiliated PMA entities, as defined below. It is being provided for informational and/or educational purposes only without regard to any particular user's investment objectives, financial situation or means. The content of this document is not to be construed as a recommendation, solicitation or offer to buy or sell any security, financial product or instrument, or to participate in any particular trading strategy in any jurisdiction in which such an offer or solicitation, or trading strategy would be illegal. Nor does it constitute any legal, tax, accounting or investment advice of services regarding the suitability or profitability of any security or investment. Although the information contained in this document has been obtained from third-party sources believed to be reliable, PMA cannot guarantee the accuracy or completeness of such information. It is understood that PMA is not responsible for any errors or omissions in the content in this document and the information is being provided to you on an "as is" basis without warranties or representations of any kind.

Securities, public finance services and institutional brokerage services are offered through PMA Securities, LLC PMA Securities, LLC is a broker-dealer and municipal advisor registered with the SEC and MSRB, and is a member of FINRA and SIPC. PMA Asset Management, LLC, an SEC registered investment adviser, provides investment advisory services to local government investment pools and separate accounts. All other products and services are provided by PMA Financial Network, LLC PMA Financial Network, LLC, PMA Securities, LLC and PMA Asset Management, LLC (collectively "PMA") are under common ownership.

Securities and public finance services offered through PMA Securities, LLC are available in CA, CO, FL, IL, IN, IA, MI, MN, MO, NE, NY, OH, OK, PA, SD, TX and WI. This document is not an offer of services available in any state other than those listed above, has been prepared for informational and educational purposes and does not constitute a solicitation to purchase or sell securities, which June be done only after client suitability is reviewed and determined. All investments mentioned herein June have varying levels of risk, and June not be suitable for every investor. PMA and its employees do not offer tax or legal advice. Individuals and organizations should consult with their own tax and/or legal advisors before making any tax or legal related investment decisions. Additional information is available upon request.