

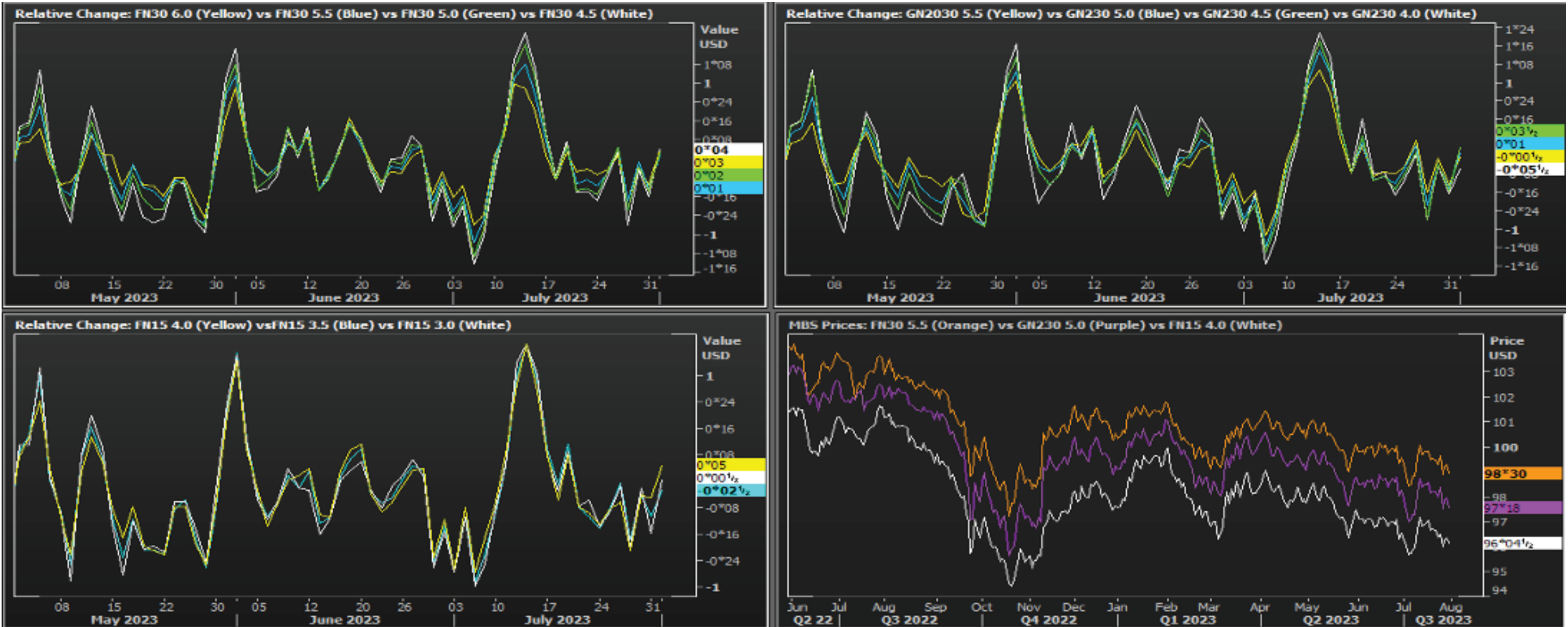
WEEKLY MARKET UPDATES  
COMMENTARY FROM THE DENVER DESK...

Last week's FOMC meeting delivered an almost unanimously anticipated 25-basis-point increase the Federal Funds rate. This brings the target rate to a range of 525-550 basis points. The remainder of the year does not currently hold additional rate hikes in the cards with the estimated target rate in December having a 60% chance of being the same as it is today. Should it move at all, current estimates expect there to be additional hikes. After Tuesday mornings' JOLTS report missing the estimate for job openings, TBA markets reacted sharply downwards for a choppy session. Labor retention however, moved in the opposite direction with quits and layoffs staying lower.

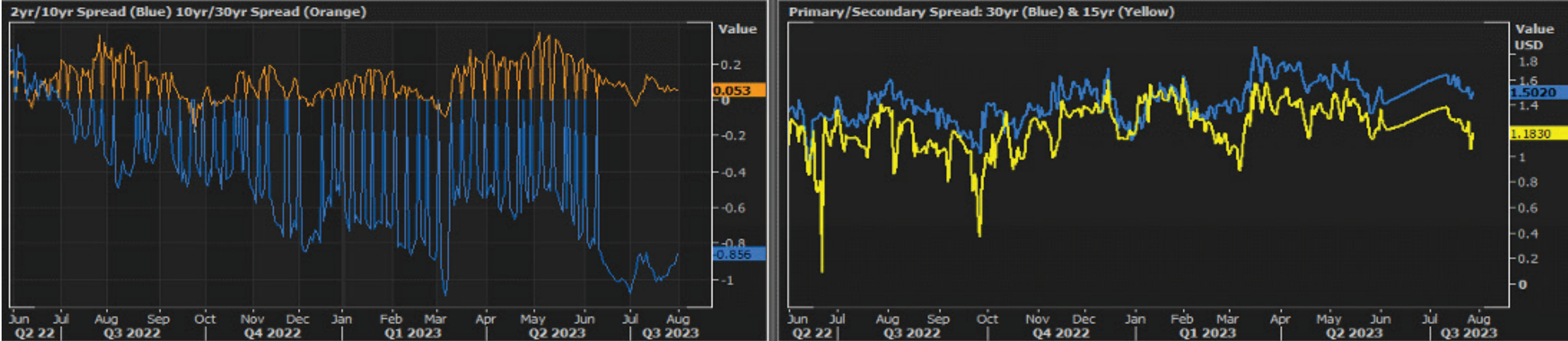
On the political front, the Republican nomination remains undecided as Ron DeSantis races to close a wide gap against current frontrunner and former president, Donald Trump. DeSantis, who sized down his campaign staff significantly in the past few weeks, has been pursuing a new strategy of smaller and more intimate meetings with voters in the crucial opening states the party primaries will occur in.

MARKET INDICATORS

| BENCHMARK    | FN30 CURRENT CPN | FN30 5.5 | FN15 5.0 | GNII30 5.5 | OBMMI 30-YR RATE |
|--------------|------------------|----------|----------|------------|------------------|
| ONE WEEK AGO | 5.753            | 99 10/32 | 99 7/32  | 99 13/32   | 6.819            |
| CURRENT      | 5.878            | 98 30/32 | 99 3/32  | 99 1/32    | 6.881            |
| DELTA        | 0.125            | -0.375   | -0.125   | -0.375     | 0.062            |



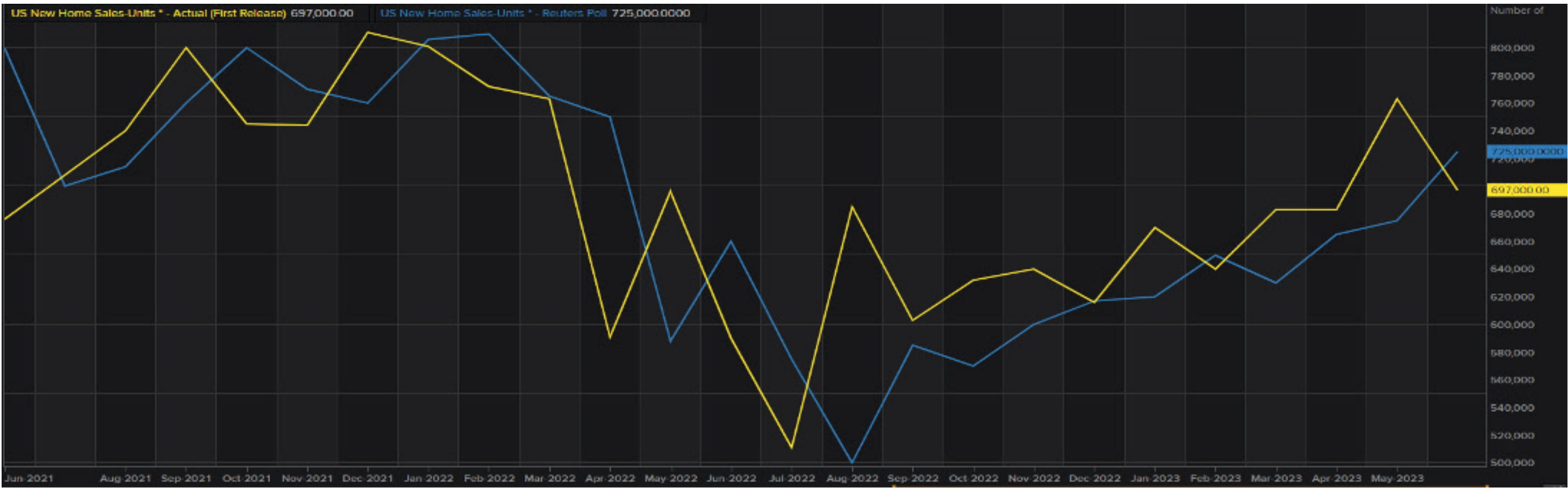
| BENCHMARK    | SOFR   | UST 2-YR. YIELD | UST 10-YR. YIELD | UST 30-YR. YIELD | 10-YR./30-YR. SPREAD |
|--------------|--------|-----------------|------------------|------------------|----------------------|
| ONE WEEK AGO | 5.050  | 4.889           | 3.894            | 3.930            | 0.036                |
| CURRENT      | 5.310  | 4.902           | 4.043            | 4.096            | 0.053                |
| DELTA        | -0.260 | 0.013           | 0.149            | 0.166            | 0.017                |



– Prices/Yields are current as of 10:30am EST on August 1, 2023 –

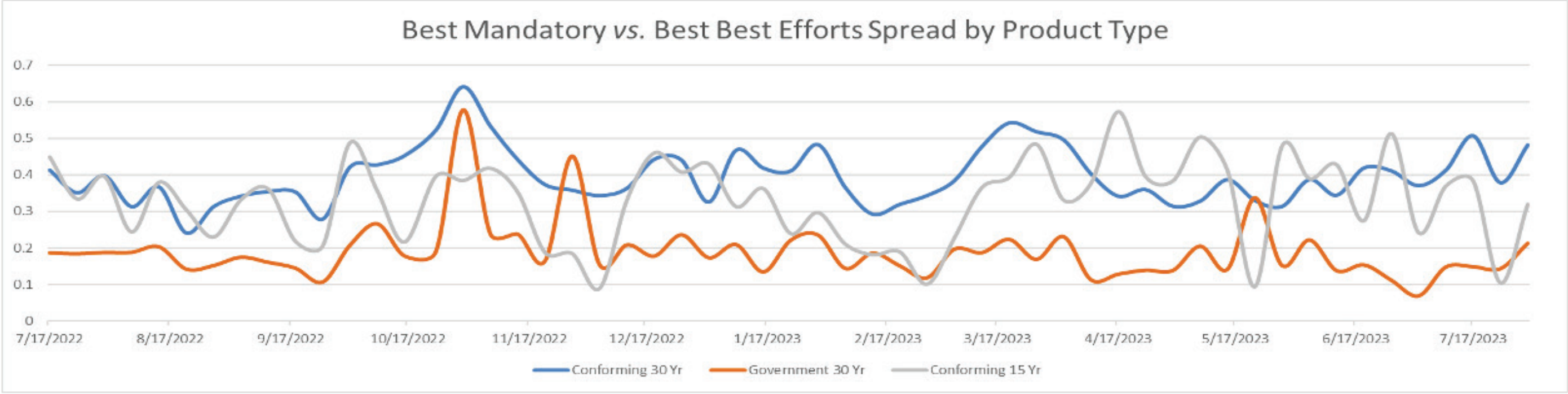
ECONOMIC DATA

| New Home Sales | June     | May     | April   | 3-MO Moving Average | 1-YR Moving Average |
|----------------|----------|---------|---------|---------------------|---------------------|
| ACTUAL         | 697,000  | 763,000 | 683,000 | 714,333             | 651,917             |
| EXPECTED       | 725,000  | 675,000 | 665,000 |                     |                     |
| CHANGE         | (28,000) | 88,000  | 18,000  |                     |                     |



BEST EFFORTS – MANDATORY SPREAD INDEX

|         | Conforming 30-Year | Government 30-Year | Conforming 15-Year |
|---------|--------------------|--------------------|--------------------|
| Weekly  | 0.481              | 0.213              | 0.319              |
| 30 days | 0.445              | 0.163              | 0.294              |
| 90 days | 0.390              | 0.168              | 0.347              |
| 1 year  | 0.402              | 0.190              | 0.326              |



LIGHT READING

CNBC: Job Openings, Layoffs Declined in June in a Positive Sign for the Labor Market  
REUTERS: Teamsters Local Unions Endorse Agreement with Delivery Giant UPS

ECONOMIC CALENDAR: DATA and EVENTS

| TIME (ET)           | REPORT                      | PERIOD | ACTUAL | MEDIAN FORECAST | PREVIOUS |
|---------------------|-----------------------------|--------|--------|-----------------|----------|
| WEDNESDAY, AUGUST 2 |                             |        |        |                 |          |
| 8:15 AM             | ADP employment              | July   |        | 173,000         | 497,000  |
| THURSDAY, AUGUST 3  |                             |        |        |                 |          |
| 8:30 AM             | Initial jobless claims      | 29-Jul |        | 227,000         | 221,000  |
| 8:30 AM             | U.S. productivity (prelim)  | Q2     |        | 0.02            | -0.02    |
| 9:45 AM             | S&P final U.S. services PMI | July   |        | 52              | 52       |
| 10:00 AM            | ISM services                | July   |        | 53              | 54       |
| 10:00 AM            | Factory orders              | June   |        | 0               | 0        |
| FRIDAY, AUGUST 4    |                             |        |        |                 |          |
| 8:30 AM             | U.S. nonfarm payrolls       | July   |        | 200,000         | 209,000  |
| 8:30 AM             | U.S. unemployment rate      | July   |        | 3.60%           | 3.60%    |
| 8:30 AM             | U.S. hourly wages           | July   |        | 0               | 0        |
| 8:30 AM             | Hourly wages year over year |        |        |                 | 4.40%    |
| MONDAY, AUGUST 7    |                             |        |        |                 |          |
| 3:00 PM             | Consumer credit             | June   |        |                 | \$7.2B   |
| TUESDAY, AUGUST 8   |                             |        |        |                 |          |
| 6:00 AM             | NFIB optimism index         | July   |        |                 | 9100.00% |
| 8:30 AM             | U.S. trade balance          | June   |        |                 |          |
| 10:00 AM            | U.S. wholesale inventories  | June   |        |                 | 0.00%    |