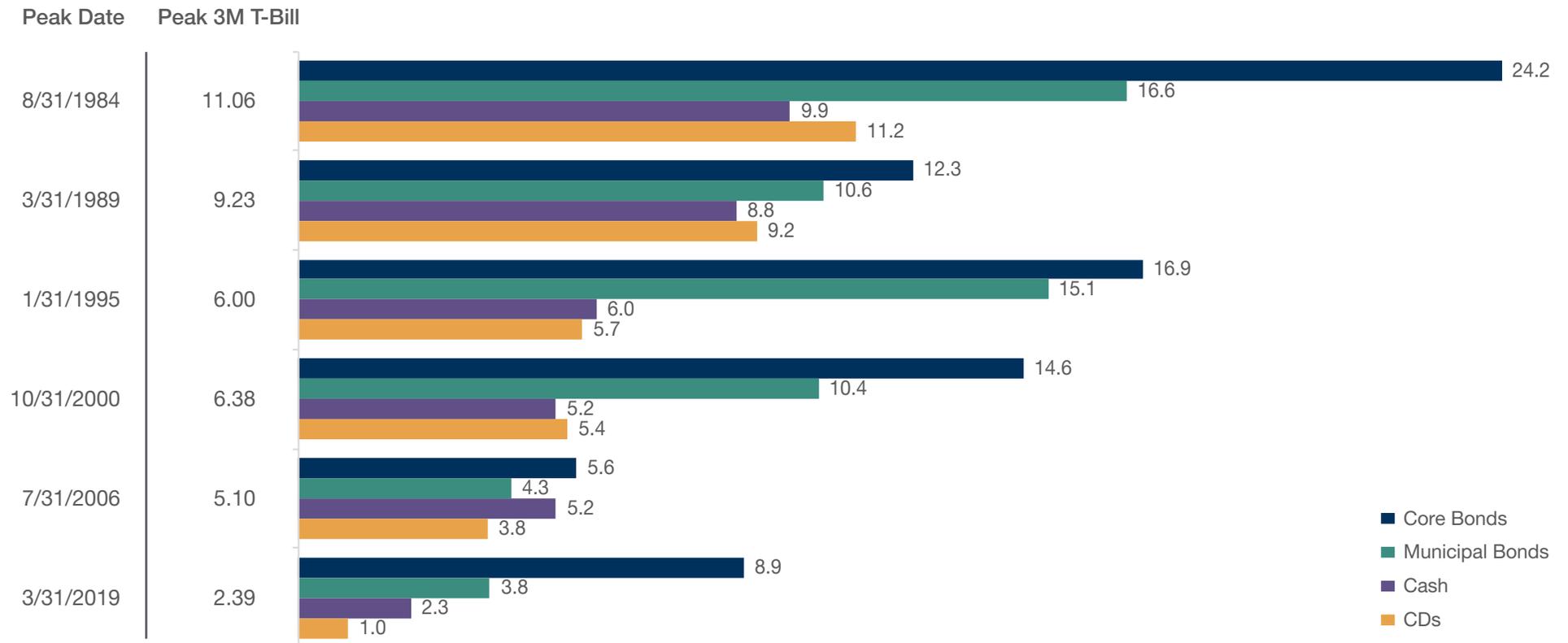


Can short-term rates keep up?

While the Fed's recent rate hikes had an immediate impact on short-term rates, historical data reveals that returns on short-term securities have tended to lag behind other fixed-income investments after rate peaks.

1 Year forward returns (%) following peak rates



Source: Bloomberg and bankrate.com, as of 9/22/23. 1-year returns represent an investment beginning the month rates peak and assume reinvestment of any income or capital gain distributions. Bond asset classes are represented by the following indices: Municipal bonds represented by Bloomberg Municipal Bond Index; Core bonds represented by Bloomberg U.S. Aggregate Bond Index; Cash represented by 3-month U.S. Treasury Bills and CDs represents 1-year CD rates. The indices do not incur management fees or other operating expenses. An investment cannot be made directly into an index.

Investment Idea: Can short-term rates keep up?

Unlike fixed income mutual funds, which incur more risk, CDs offer a fixed rate of return, and the interest and principal on CDs generally are insured by the FDIC up to \$250,000.

Treasury Securities are backed by the full faith and credit of the United States government as to payment of principal and interest if held to maturity. Interest income on these securities is exempt from state and local taxes.

Bloomberg U.S. Aggregate Bond Index is a broad-based benchmark that measures the investment-grade, U.S. dollar denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, mortgage-backed securities (agency fixed-rate and hybrid adjustable-rate mortgage pass-throughs), asset-backed securities, and commercial mortgage-backed securities.

Bloomberg Municipal Bond Index is an unmanaged index that includes approximately 15,000 municipal bonds, rated Baa or better by Moody's, with a maturity of at least two years.

Forward returns would mean the returns following a starting point which is the month of last hike.

“New York Life Investments” is both a service mark, and the common trade name, of certain investment advisors affiliated with New York Life Insurance Company. Securities are distributed by NYLIFE Distributors LLC, 30 Hudson Street, Jersey City, NJ 07302, a wholly owned subsidiary of New York Life Insurance Company. NYLIFE Distributors LLC is a Member FINRA/SIPC.