

# U.S. bond market changes over time

## Duration, yield and government exposure

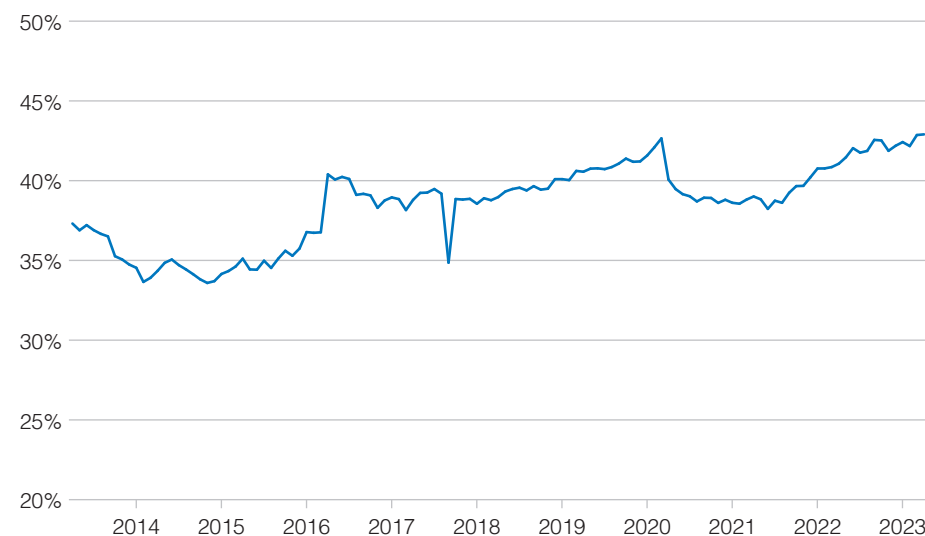
Over the past 10 years, the U.S. bond market has changed a lot. The Bloomberg U.S. Aggregate Bond Index, which measures the performance of a wide variety of publicly traded investment-grade bonds and is commonly referred to as being representative of the bond market as a whole, has changed as well. The index has shifted to hold more and more U.S. Treasury bonds—more than 42% of the index is now in U.S. Treasuries compared to less than 38% ten years ago. Although rates have risen more sharply recently, for much

of the time during the last ten years, many investors took on increased duration to achieve roughly similar yields, making any fixed-income portfolios that simply follow this index more sensitive to rising interest rates. The Bloomberg U.S. Aggregate Bond Index holds only investment-grade bonds, so there is no exposure to lower-credit quality securities like high-yield corporates, floating-rate bank loans, or preferred securities, nor any bonds issued from outside the United States, like emerging-market debt.

### Bloomberg U.S. Aggregate Bond Index

April 2013 – April 2023

Allocation to U.S. Treasury bonds

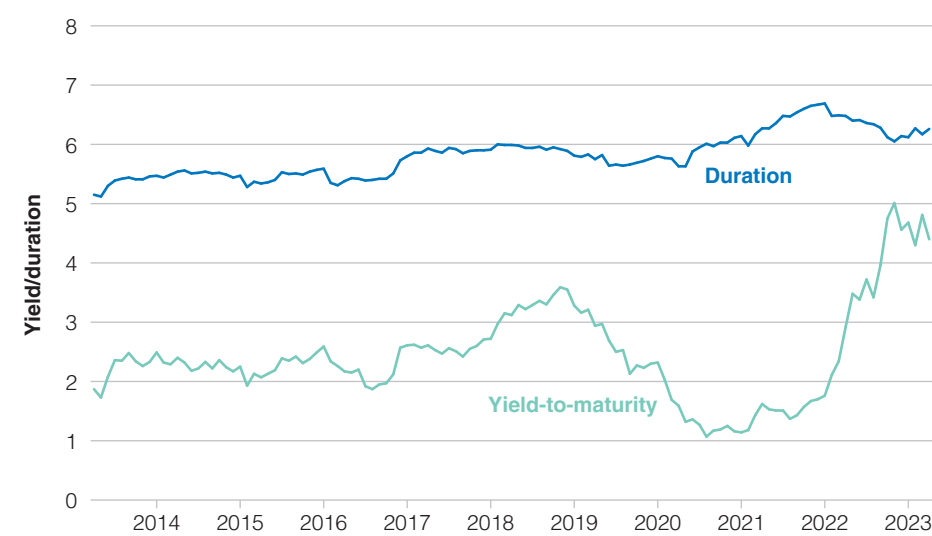


Source: Morningstar

### Bloomberg U.S. Aggregate Bond Index

April 2013 – April 2023

Yield & duration



Source: FactSet



## It's easy to get started

Talk with your financial professional about building, balancing and diversifying your portfolio with Thrivent mutual funds. You can also learn about your options by visiting [thriventfunds.com](https://thriventfunds.com) or by calling 800-847-4836.

Duration is a measure of the sensitivity to changes in interest rates for the price of a fixed-income security.

Yield-to-maturity is the estimated annualized rate of return for a bond, assuming that it is held until maturity.

Any indexes shown are unmanaged and do not reflect the typical costs of investing. Investors cannot invest directly in an index.

Besides interest rate risk, investing in bonds can be subject to various other types of risk including, but not limited to, duration risk reinvestment or call risk, inflation risk, credit/default risk, ratings downgrades, event risk and liquidity risk.

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