DEFINITIONS

- **2/10 Treasury spread**: The 2/10 Treasury Yield Spread is the difference between the 10-year treasury yield and the 2-year treasury yield. This spread is commonly used in the market as the main indicator of the steepness of the yield curve.

- **Duration**: Duration is a measurement of the sensitivity of the price of a bond or any fixed income instrument to changes in interest rates. In general, the higher the duration, the more a bond's price will drop as interest rates rise.

- **Gamma**: Gamma is an important measure of the convexity of a derivative or a bond. For options, gamma measures the rate of change in an option's delta per 1-point move in the underlying asset. For bonds, gamma measures the rate of change in the duration as interest rates move.

- **Yield Curve**: The yield curve is a visual representation of yields on U.S. Treasury bonds across a variety of different maturities. Under normal circumstances, the shape is upward, meaning that short-term rates are often lower than long-term rates.