

# MBS & TREASURY MARKETS

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## UPDATE: Nice Little AM Rally

In a departure from recent norms, the overnight session was somewhat constructive for bonds. The gains weren't massive, but they were notable for being something other than losses. Volume and buying picked up around 8:45am ET despite an absence of economic releases or market moving headlines. One could make a case from some spillover from European bonds and ECB comments, but the timing doesn't line up very well.

All that having been said, we don't have to have an obvious fundamental motivation for a few bps of improvement in a month were 20yr yields were already up roughly 50bps (4.20 at the end of March and 4.694 yesterday).

10s are down 4.5bps so far today at 4.623. MBS are up roughly a quarter point.



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