

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

ALERT: Weaker With Williams

The timing of Fed comments this morning is unfortunate in that it lines up closely with the 9:30am NYSE open. Fed Funds Futures offer some confirmation that Williams later comments (especially the one about hiking) are having an impact.

09:27:13 AM - FED'S WILLIAMS: FED IS DATA DEPENDANT AND THE DATA HAVE BEEN VERY GOOD

09:27:20 AM - FED'S WILLIAMS: WE HAVE A STRONG ECONOMY

09:27:34 AM - FED'S WILLIAMS: FED RATES HAVEN'T CAUSED THE ECONOMY TO SLOW TOO MUCH

09:27:42 AM - FED'S WILLIAMS: ECONOMIC IMBALANCES HAVE BEEN REDUCED

09:27:54 AM - FED'S WILLIAMS: MONETARY POLICY IS IN A GOOD PLACE

09:28:02 AM - FED'S WILLIAMS: I DON'T FEEL URGENCY TO CUT RATES

09:28:16 AM - FED'S WILLIAMS: EVENTUALLY INTEREST RATES WILL NEED TO BE LOWER

09:28:27 AM - FED'S WILLIAMS: RATE CUTS WILL BE DETERMINED BY ECONOMIC ACTIVITY

09:29:18 AM - FED'S WILLIAMS: FED RATE HIKE ARE NOT MY BASELINE FORECAST

09:29:40 AM - FED'S WILLIAMS: IF DATA CALLED FOR HIGHER RATES, FED WOULD HIKE



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MBS are now down 6 ticks (.19) and an eighth of a point from the earliest rate sheet print times. 10yr yields are up .4bps at 4.63.