

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.



MBS Recap: No Major Data, No Major Movement



Roland Wilcox
Owner / Loan Officer,
Sierra Capital Mortgage Co.

P: (626) 449-8545

1055 E. Colorado Blvd.
Pasadena CA 91106
245214



No Major Data, No Major Movement

MBS Recap | Matthew Graham | 3:35 PM

It was a snoozer of a day for bonds with yields and MBS prices holding well inside last Friday's ranges for the entirety. An "inside day" isn't much of a surprise when the calendar is completely empty in terms of major economic data. In fact, it was devoid of all manner of economic data. That left only a few Fed speeches and as is the recent norm, Fed speakers are all saying the same things (thus, no surprises for bonds). At the 3pm close, both Treasuries and MBS were perfectly unchanged.



MBS Morning

10:18 AM Slow, Sideways Start

Market Movement Recap

- 09:59 AM Modestly weaker overnight but bouncing back to unchanged. MBS unchanged and 10yr up 0.3bps at 4.256.
- 11:12 AM Treasuries slightly weaker with 10yr up 1.1bps at 4.264. MBS up 1 tick (.03).
- 03:03 PM MBS and Treasuries both perfectly unchanged. 10yr at 4.253

Lock / Float Considerations

- This week's Treasury auction cycle and the implied technical resistance seen near 4.20% in 10yr yields make a case for a more risk-averse approach. Risk takers are liking the technical support seen at 4.29% last week and/or 4.27% over the past 2 sessions. All of the above is very "small picture." Big picture changes depend on additional, friendly inflation prints as well as a bit of cooling in other big ticket economic data.

Technicals/Trends in 10yr (why 10yr)

- Ceiling/Support (can be used as "lock triggers")
 - o 4.57
 - o 4.49
 - o 4.35
 - o 4.30
- Floor/Resistance
 - o 4.07
 - o 4.19

MBS & Treasury Markets



MBS

30YR UMBS 5.5	+
30YR UMBS 6.0	+
30YR GNMA 5.5	+
15YR UMBS-15 5.0	+

US Treasuries

10 YR	4.243%	-0.010%
2 YR	4.732%	-0.002%
30 YR	4.375%	-0.022%
5 YR	4.265%	-0.009%

Open Dashboard

Share This