

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

ALERT: Negative Reprice Risk Increasing as Bonds Give Up PCE Gains

This morning's post-PCE bond rally had a bit of a month/quarter-end boost, it seems. In other words, some month end trading may have been waiting to make sure PCE didn't drastically change prices. It didn't, so they bought what they needed to buy and now there are no more buyers.

MBS are down an eighth from rate sheet print times in 5.5 coupons and 6 ticks (.19) in 6.0 coupons. That's enough for jumpier lenders to consider negative reprices. 10yr yields are up 1 bp on the day as the long end of the curve underperforms (5yr yields still down 1.5bps).



Jason R. Richardson

Regional Branch Manager,
City First Mortgage

RichardsonLending.com

P: (800) 475-6255

M: (661) 857-2202

750 S Main Street
Bountiful UT 84010

NMLS #256859

Licensed in CA, CO, HI, NC, NV, TX,
TN

