

UPDATE: First Move is Stronger After Mixed Payrolls Data

- Nonfarm Payrolls
 - 206k vs 190k f'cast
 - last month revised down to 218k from 272k
- Unemployment Rate
 - 4.1 vs 4.0 f'cast, 4.0 prev
- Wages
 - 0.3 vs 0.3 f'cast, 0.4 prev

With the headline payroll count being only slightly higher than expected, markets are free to focus on the other, more notable developments. First off, the revision to last month offsets this month's beat. From there, the slight decline in wages is welcome news with a Federal Reserve that has increasingly mentioned wage growth as an important inflation indicator.

The higher unemployment rate is somewhat mitigated by the increased labor force participation (+0.1%), but higher is higher.

Bonds briefly sold off a bit, but are now in stronger territory with 10yr yields down 6.7bps at 4.295.

MBS are up 6 ticks (.19) in 6.0 coupons and over a quarter point in 5.5 coupons.



Scott Green

Home Loan Consultant,
Monument Mortgage
Group

P: (602) 971-0544 x1

M: (602) 577-8311

scott@scotthelps.com

21501 N. 78th Ave #100
Phoenix AZ 85382

Company NMLS #2512600
Individual NMLS #155901



David Rickey

Home Loan Consultant,
Monument Mortgage
Group

www.azmonument.com

P: (602) 971-0544 x2

david@azmonument.com

21501 N. 78th Ave
Peoria AZ 85382

Company NMLS # 2512600
Individual NMLS #1493357