

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.



MBS Recap: A Clear Reaction to Data Without Any Major Drama



Dale R. Packer, MBA

Owner/Broker, Great American Lending LLC

GreatAmericanLending.us

M: (801) 391-6566

dale@greatamericanlending.us

875 S 600 W

Heber City Utah 84032

MLO-4493

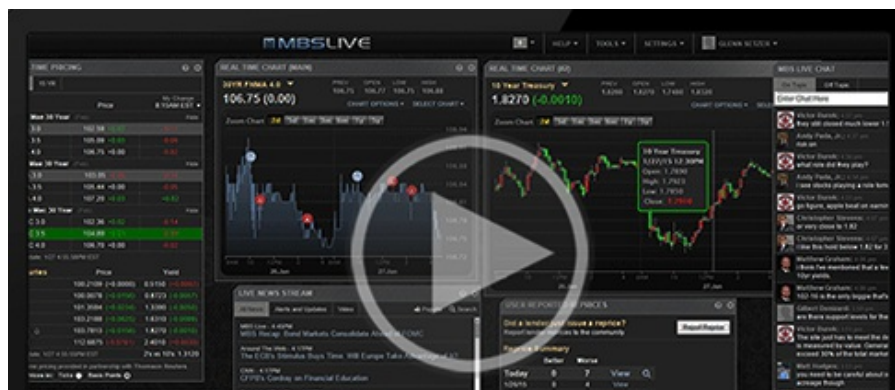
Company-201546



A Clear Reaction to Data Without Any Major Drama

MBS Recap | Matthew Graham | 4:59 PM

After this morning's initial reaction to Initial Jobless Claims, the rest of the day was uneventful and sideways. By 9:00am, 10yr yields had risen about 4bps to 3.866--which was the exact same level seen at the 3pm close. MBS outperformed in day over day terms, but had a distinct moment of underperformance just after 3pm. From here, we get into consistent daily doses of big ticket econ data culminating in next Friday's jobs report. Volatility potential is increasing accordingly.



Lock / Float Considerations

- After Thursday's jobless claims data, bonds/rates remain well within the prevailing range. But the obvious responsiveness to the data suggests heightened volatility potential every day between now and next Friday's jobs report. Given that these levels have been well established, there's no directional implication from short term **technicals**. The next move should truly depend on the data.

Technicals/Trends in 10yr (why 10yr)

- Ceiling/Support (can be used as "lock triggers")
 - o 4.07
 - o 3.95
- Floor/Resistance
 - o 3.58
 - o 3.70
 - o 3.82
 - o 3.87

MBS & Treasury Markets



MBS

30YR UMBS 5.0

30YR UMBS 5.5

30YR GNMA 5.0

15YR UMBS-15 5.0

+

+

US Treasuries

10 YR	3.862%	+0.026%
2 YR	3.896%	+0.031%
30 YR	4.146%	+0.020%
5 YR	3.668%	+0.003%

[Open Dashboard](#)

[Share This](#)