

# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

## UPDATE: Core PCE in Line With Expectations. Minimal Reaction

- M/M Core PCE
  - 0.2 vs 0.2 f'cast, 0.2 prev
- Y/Y Core PCE
  - 2.6 vs 2.7 f'cast

Don't look now, but inflation is getting to be "boring" with the past 4 reports calmly playing ball at levels consistent with hitting the 2 percent annual target (today's annual number is only higher due to "base effects" --i.e. higher inflation months in the 12 month calculation).

MBS and Treasuries were flat heading into the data and they're flat on the other side now. 5.0 UMBS are down 1 tick (.03) at 99.5 and 10yr yields are up .6bps at 3.867



**Sean Bailey**

Branch Operator, Caliver  
Beach Mortgage

[www.investwithsean.com](http://www.investwithsean.com)

M: (678) 231-2462

[seanb@caliverbeach.com](mailto:seanb@caliverbeach.com)

Jacksonville FL 32073

NMLS# 2128276