

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



Matt Jolivette

Owner/Broker, Associated
Mortgage Brokers

www.nwmortgagebroker.com

P: (503) 221-0064

M: (503) 545-8843

13535 SW 72nd Avenue
Portland OR 97223
90661