UPDATE: Big Pop in Jobless Claims Helping Offset Higher CPI

- Jobless Claims
  - 258k vs 230k f'cast, 225k prev
- Core CPI M/M
  - 0.3 vs 0.2 f'cast, 0.3 prev
- Y/Y Core CPI
  - 3.3 vs 3.2 f'cast, 3.2 prev

Bonds were slightly weaker overnight and would almost certainly be continuing to even higher yields after CPI came in hot. Indeed, the CPI data beat jobless claims to the punch on many data feeds and resulted in an immediate pop in yields. But once jobless claims printed much higher than expected, bonds returned to unchanged and have actually dipped back into positive territory by a fraction of a bp at times. Currently up 1.9bps at 4.084

MBS are bouncing around near unchanged levels.

There's no guarantee that this early resilience will remain as traders start sorting out the "yeah buts" that could be accounting for the upside surprise in claims (strikes, hurricanes, etc).

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