

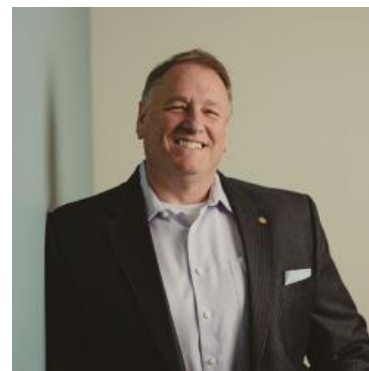
MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

ALERT: Negative Reprice Risk Increasing

Bonds continue selling off in a measured, linear fashion. 10yr yields are now up 3.2bps on the day at 4.456. MBS are up 3 ticks (.09), outperforming due to yield curve trading (i.e. shorter durations doing better).

Despite the outperformance, this is more than a quarter point below the AM highs and at least an eighth of a point below almost every lender's rate sheet print time. Jumpy lenders are increasingly likely to be considering negative reprices.



George Moorhead

Designated Broker /
President, Bentley
Properties

www.GeorgeMoorhead.com

P: (425) 747-1901

M: (425) 236-6777

georgem@bentleyproperties.com

14205 SE 36th St
Bellevue WA 98006

Washington RE License 2390