# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

# MBS Recap: Bonds Give Back Most of The Overnight Gains



Philip Bennett President, Bennett Capital Partners Mortgage Brokers

bcpmortgage.com P: (800) 457-9057 M: (305) 407-0747

1101 Brickell Ave STE 800 Miami FL 33131 Pers# 1098318 Corp# 2046862



## Bonds Give Back Most of The Overnight Gains

MBS Recap Matthew Graham | 4:57 PM

Stocks and bonds had a logical response to the threat of global nuclear war overnight, but even at the height of that trade, the gains weren't too big for Treasuries/MBS. Starting at 9am ET, bonds began giving back the overnight gains and that process continued in a slow and steady way throughout the session. MBS ultimately hit unchanged levels and 10yr yields rose roughly 6bps from the lows. The stock market made an even bigger round trip, ultimately ending higher for the 2nd day in a row.

	a georgene a			and the second					
			MMBS	LIVE	<b>M</b> *				
100.00	icine)		HEAL THE CHART MAN	0.0	REAL THE CHART (40)			MES LIVE OWN	
			STREET COMMAND		10 Year Dealogy *	AND OFTEN LOW	NOR CONTRACTOR	Configure Officer	
		A YOAM LOT .	106.75 (0.00)		1.8270 (-0.0010)				
Not 10 Ye			Annual Manager	ar war mori hor	Incompany of the life	THE REPORT OF		They also placed, in such lower 1	
	NO MALES	101		108.94	Contract of the last of			Anty Parls, Arr. 1	
	10108-0100							All Add and	
4.0 Mag 10 Te						Robert Marine		alle for Darake 1 in one	
10.0	10.0	144	1.00	101.00		Open: 1,7834		and see do key you?	
111	10104-02.00	444	I LINE	In the second second		High 1743	a f	Tanta starts starts a nin ber	
48	10720-111					Lew 1,7000	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	The latter Darbit of Darbit	
Ber Dit T						dest, Colo		an Apare, apple beat or earn	
				and the second se			1	Christopher Einenen: 1 17	
			T IN			La Carlos	8	Christianiari Vincensi (117)	
						The second se		The loss has been being 1.87 for	
				And the local division of the local division				Wolflow Grahami 1 11 pro	
attes -				P.Me				10 state for mentioned that a lot four webla.	
	100,2108 (10,0000)		CLIVE NEWS STREAM					Mathew Graham C = 1	
	100.0078 (10.0190)	0.0000 1000075	and the second se		(DESCRIPTION OF	9015	0.0	10 hi a be arty byge haf	
	100,000 100,000	14210 101000	ARTICLE AND DETIDATE	time a hard a back	Contraction of the			Colored Developed 1 100 pr	
	10,740 (10,000)	14210 11000	WEIGHT AND	and the second second		a reprise?	without a	the state Darah Lines	
	112 8875 14 1911	2 all the residences	With Hecapi David Market	Consider Area (CON)	Reporting to the local bio			The site and has to meet the d	
		2100102-12020	Around The Yolk is 1774 The ECE's Distriction Days	Tree and Local Distances and in the	Participany			is measured to value Camera encoded 10% of the following to	
	tera e tera fueta e		Chen & 10mg CTVD's Conding on Filmers		Today 1 1	Ver Q		Mart Rodgen 111-1	

© MBS Live, LLC. All rights reserved. This newsletter is a service of MBS Live.



Watch the Video

#### **MBS Morning**

10:31 AM Threat of Global Nuclear War Barely Worth a Bond Rally

Aler	t		
3:41 PM	Wea	akest Levels Of The Day	

Econ Data / Events

- • Housing Starts
  - 1.311m vs 1.330m f'cast, 1.354m prev
  - Building Permits
    - 1.416m vs 1.430m f'cast, 1.425m prev

#### Market Movement Recap

- 09:31 AM moderately stronger overnight on Ukraine escalation. MBS up less than an eighth. 10yr down 4.2bps at 4.374
- 12:56 PM weakest levels of the day. MBS up 2 ticks (0.06) and 10yr down 3.2bps at 4.385
- 02:56 PM Little changed since previous update. MBS up 2 ticks (.06) and 10yr down 4.3bps at 4.374
- 03:41 PM 10yr yields are still 3bps lower on the day at 4.387. MBS now up only 1 tick (.03).

#### Lock / Float Considerations

The burden of proof remains on economic data to make a case for any significant improvement in rates. In other words, don't expect big, sustained improvement without markedly weaker data/inflation. This doesn't mean rates can't drop here and there, but it does mean there's not currently a reason for them to drop very much or for very long unless data makes a case for it. The best hope over the last 2 weeks of November is for volatility to subside and for the prevailing uptrend in rates to run out of steam. These are not the sort of hopes upon which to base lock/float strategy.

### Technicals/Trends in 10yr (why 10yr)

- Ceiling/Support (can be used as "lock triggers")
  - **4.49**
  - **4.43**
- Floor/Resistance
  - ° 4.12
  - **4.20**
  - **4.30**
  - **4.35**



#### **MBS & Treasury Markets**

MBS

30YR UMBS 5.5
30YR UMBS 6.0
30YR GNMA 5.5
15YR UMBS-15 5.0
10 YR
2 YR
30 YR
5 YR

**Open Dashboard** 

Share This