MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Getting Back to Normal, For a Few Days Anyway





#REVIEWSMATTER

Brad Roche The Mortgage Planner,

Element Home Loans

www.TheMortgagePlanner.com P: (704) 728-0191 M: (704) 929-7718

400 North Harbor Place Davidson NC 28036 135191



Getting Back to Normal, For a Few Days Anyway

MBS Recap Matthew Graham | 4:24 PM

After a decidedly abnormal 6 weeks beginning in early October, bonds began to calm down last week. This offered some hope that the brisk volatility and selling pressure was subsiding. With 10yr yields closing inside a 3bp range for 5 days in a row, the restoration of normality is basically confirmed. Today's data didn't have a big impact, but we wouldn't expect it to (based on the mixed signals). Bonds continue waiting on early December data for the next big push in one direction or the other. The upcoming week is always a bit of a wild card due to the holiday and month-end, but the fact remains that there are no truly top tier market movers.

			MMBS	SLIVE	10.0 ×	100.5 • SCHWGL •	
THE PRO	786	0.0	REAL THE CHART MANE	0.0	HEAL THE CHART (K)		MES LIVE OWN
10.18			STREEMAN	PROF DECK LINE MILE NUM.PS NUM.PJ NUM.PS NUM.BR	10 Year Theory Y	AND DES LOS MON LOSS LOSS COM LOSS	COLOR OF MARK
	-	Ny-Dente Expandent -	106.75 (0.00)	Creat orners - Statt creat -			Dev Outries
Not 10 Year - Fun		June Charl 24 THE THE THE THE THE THE THE		Just Data M THE THE DIF NET THE THE THE		The fore interesting and the second s	
					Tanke Orace and the same	Construction () and () and ()	
15	10108-0101						Andy Parks, dr. (1 / pr.
	10675-680					18 Fear Treasury	
			1.2	10.00		100/0512.3094	Any State Parale 1 and
		104		1.9 A		Open 1,7830 High 1,7511	AND AND PARA ACCOUNTS
	10144-010					The set duty playing a view	
	10720-1111		- U - 100 - 10 - 1			5 Low 1,7005 Once 1,7006	P P P P P P P P P P P P P P P P P P P

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



Watch the Video

Update

10:00 AM Slightly Weaker After PMI Data, But Some Solace From Internals

MBS Morning

12:03 PM Evidence Continues For The Sideways Slide

Econ Data / Events

- • S&P Services PMI
 - 57.0 vs 55.2 f'cast, 55.0 prev
 - Consumer Sentiment
 - 71.8 vs 73.7 f'cast, 70.5 prev
 - 1yr inflation expectations
 - unchanged

Market Movement Recap

- 11:29 AM stronger overnight and steadily weaker during domestic hours. MBS unchanged and 10yr down 1.1bps at 4.409
- 01:39 PM Little changed from last update. MBS up 2 ticks (.06) and 10yr down 0.9bps at 4.412
- 03:58 PM Super sideways, all day, but a bit stronger for MBS, now up an eighth of a point. 10yr down half a bp at 4.417.

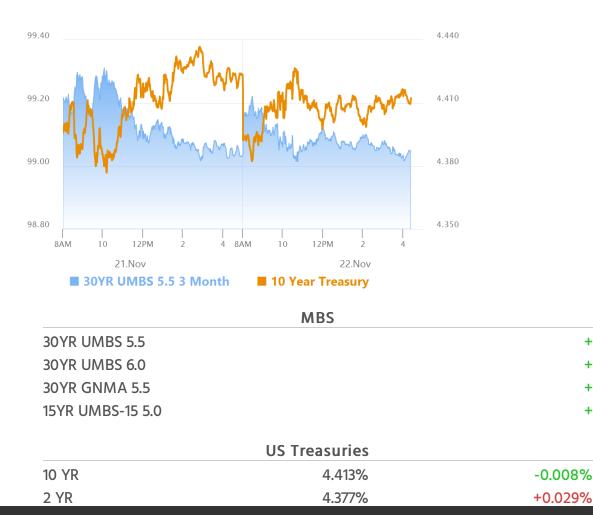
Lock / Float Considerations

Ine 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, but it does generally seem like this is what's been happening.

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

30 YR	4.597%	-0.004% +0.003%	
5 YR	4.305%		
	Open Dashboard		

enare m