



## The Day Ahead: Bonds Letting Off Some of Yesterday's Steam

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Monday brought a rare event for the bond market in the recent context as yields fell throughout the day and never really thought about bouncing. It was all the more uncommon because the rally was fairly large and it didn't come in response to a new long-term high in yields in the previous session. Now this morning, the gains are moderating ever so slightly. 10yr yields are still more than 10bps below last Friday's close, but up 2.4bps from yesterday. This is a fairly uneventful move and one that has little--if any--visible connection to new Trump comments regarding tariffs.



A longer term candle chart shows just how resounding the defeat of the October uptrend has been, as well as the relative size of today's push-back.

