Daily Coverage. Industry Leading Perspective.

MBS Recap: Friendly Fed Comments No Match For The Range

Justin Grable

President of Mortgage Lending, ABLE Mortgage

www.ABLEMortgage.com P: (951) 899-0009 M: (951) 899-0010 justin@ablemortgage.com

41923 Second St. Temecula CA 92592 NMLS 246763 CA DRE 01411989

∧ B L Ξ mortgage

Friendly Fed Comments No Match For The Range

MBS Recap Matthew Graham | 3:52 PM

The day began with a bond rally courtesy of geopolitical headlines (martial law declared in South Korea). Traders were done reacting to the news by 9am and yields were heading back up after that with a 10am push from stronger JOLTS data. There were several friendly comments from Fed speakers in the early afternoon, but they only materially benefitted the short end of the yield curve (i.e. 2yr yields are lower on the day while 10yr yields are several bps higher). The other way to view the move is simply that the bond market rallied as much as it was willing to rally by the end of last week and yields haven't been able to make any additional progress since then. Indeed, each of the past 3 trading sessions has seen a 10yr yield low of almost exactly 4.17%. Tomorrow brings an important slate of econ data with ADP employment, ISM Services, and an afternoon Powell speech.

	MMBSLIVE	🛄 * 10.0 * 100.1 * 5011003 * 🔜 0.0 *	
THE PROVIS 0.0	THEAL THE CHART MANS	0.0 THEAL TIME CHART (40)	MESLINE OWN
awa (to their Departury - Pilly area and with	CONTRACT OF TAXA
Page 4 March 1	106.75 (0.00) Contracts Built	1.8279 (-0.0010) table table table	Enter ChatThere
Ret 10 Year	Annual State Name and Add Table Table	Josephere In the two two two two	the lot in the second second
10 NO 10 - 11 NO		THE PARTY OF ANY AND THE THE DAY DAY THE THE THE THE	They still chosed much lower
15 10.00 -110 000		The Internet of Contract of Co	An an an
43 10675-648 488 Reg (8 Team / 1100	•	A Day of the Address	An State Parate 1 to an
18 HS M 47 M		Open 1/410	Anto Parls, N. L
15 10.44 -0.00 400	Infinite a the second	INCOME DATE OF LAND	2 rate states playing a rate to
4.0 90729-4100 4440		Con Line P	The barrier of the second seco
3.0 10.00 -1.0			Christopher Streams, +
55 No.86 125 810			Christopher Servers (117)
48 19679-688 487	and the second		The loss has been being that he
	Search and and an article of the second		Retfore Grahami + H are then he methoded haf a
THE PAR VIEW	P.M.	a de la ante de de la	the parts
100000 - 10000 - 00000 - 00000	LIVE NON'S STREAM		No his Rearby base Re
101000-00010-0000-00000	All and an operations in the state	These Distance Point Pages 00	Callert Demaarth, 150 pr.
	MILLIN AND	Det a tender and source a reprice? Resultance	are have apport each for h
 NETWO PLEMA LINES LINES NO MER LINES - 2 ARM PLEMA LINES 	With Recip Earl Markets Greatilities Annual MCDAC	Reprint Provide Terrorety	The alle just has to need the
A 10 10 10 10 10 10 10 10 10 10 10 10 10	Award The Main & 1996 The COT's Demokes Trans Time, Will Damper Takes A warding a	Pageta Bunnary	is measured in value Generation and the local sector of the local man
		Land Hand	The Ball Hadgest 111.00
nester forte en trans ()		Teday 0 7 View Q	You have to be careful along
MICCRETNONE 0	Constant of the second se	and the second s	The Barrier Darrets 1 10 are
Autors Traves Taxes burns			There is no monimum or man Roman Brancad under the U
ey, January 27th Ant Tay Para Ant	The second		The second secon
	MAN CONCACTORY	and the state barren to	Tel Real Lines
Contractions of all all all all	More Pronounced Negative Reprice Risk as M05 M Low		ACCOUNT OF A DATE
	Rede-1107M	337 pm New Perch Million Advertision 115 pm Randward Million Advertision	ALL PROPERTY AND PARTY OF
Desting on the local day of the second secon		115 pm Burbuit Page John Deaded	Bull Van Galler, 117 pro
	the concernent of the	233 pm Dearts more rebeficiels of	The bar barnet

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

Watch the Video

MBS Morning

9:57 AM South Korea... Martial Law... And a Bond Rally?

Update

10:11 AM Giving up Some Early Gains After JOLTS Data

Alert

11:04 AM Weakest Levels of The Day

Econ Data / Events

- • Job Openings
 - 7.744m vs 7.480m f'cast, 7.372 prev
 - Job Quits
 - 3.326m vs 3.071m prev

Market Movement Recap

- 09:36 AM Slightly weaker overnight, then stronger on geopolitical headlines. MBS up 2 ticks (.06) and 10yr down 1.7bps at 4.177
- 10:55 AM At the lows of the day with MBS now unchanged and 10yr up 1.2bps at 4.206
- 02:48 PM Modest recover into 1pm hour, but back near same lows now. MBS down 3 ticks (.09) and 10yr up 1.9bps at 4.213

Lock / Float Considerations

Bonds made it through the Thanksgiving trading week in the best possible shape relative to the incoming data. The rising rate trend from October was defeated 2 weeks ago and the initial sideways trajectory gave way to a modest recovery. Nonetheless, it continues to be up to incoming economic data to determine the next "real" move in rates. On that note, it's the most critical week of the month with several strong supporting actors in the coming days and the big jobs report on Friday.

rechnicals/rrends in loyr (why loyr)

- 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

US Treasuries			
10 YR	4.232%	+0.038%	
2 YR	4.176%	-0.007%	
30 YR	4.408%	+0.051%	
5 YR	4.114%	+0.035%	

Open Dashboard

Share This