

# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

## The Day Ahead: Reinforcing The Range

Up until last Friday, 10yr yields closed at 4.17% for 5 days in a row. While that's technically "resistance," we're not complaining considering that's more than 30bps below the highs from 2 weeks earlier. In fact, it's probably better for rates to consolidate here as traders wait for auctions and CPI data in the week ahead. With that in mind, last Friday threw a bit of a curveball with a small but noticeable break to even lower yields. Now at the start of the new week, bonds have moved quickly back to the familiar consolidation range marked by a floor of 4.17. Meaningful improvement from here will require concrete motivation from this week's CPI/PPI. Auctions can play a supporting role, to some extent.



**Gary Kesler**

Executive Finance  
Manager, Central Valley  
Home Lending

[www.cvh lending.com](http://www.cvh lending.com)

M: (916) 804-0142

[gary@cvhlending.com](mailto:gary@cvhlending.com)

3461 Fair Oaks Blvd. Ste 125  
Sacramento CA 95864

CVHL NMLS #2455817

MLO NMLS #693579

