# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

### MBS Recap: Bonds Hold Ground Despite Unfriendly Econ Data



Slav Popach Mortgage Broker, Barrett Financial Group

M: (425) 772-1031 slav@barrettfinancial.com NMLS 1103975



## Bonds Hold Ground Despite Unfriendly Econ Data

MBS Recap Matthew Graham | 4:22 PM

If there was a prime directive for the bond market last week, it was to sell off regardless of any counterargument from the economic data. The new week got off to a distinctly different start with stronger economic data only causing a temporary inconvenience for bonds. Both MBS and Treasuries were pushed back in line with Friday's weakest level, but both found support in the PM hours before going on to make it back to unchanged territory, or close to it. Volume was low and the volatility was small in the bigger picture, but at the very least, it was nice to see a different reaction than last week's default weakness.

	MMBSLIVE	🔝 * 100.5 * Million * 🔛 Guines	
tel Pieces 0.0	TREAL THE CHART MAN	0 0 FRALTIME CHART (0)	MES LIVE OWN
-0.VE	DETERMINANT PROPERTY AND ADDR	to feel Teaching . First offer site was	CORDER OF THE
Page #10-Damp	106.75 (0.00) tot.15 tot.15 tot.15 tot.15 tot.15	1 8978 ( A AAAAA	Dev Outney
Ree 16 Year's from them	Annual and the first that the training	Anna Chart 20 THE THE THE THE THE THE THE	They all thread much lower
18 MEMORY (197		HA	Andy Parls, doi:10.00
			And Party Party and Party and
10 10675-030 480		18 feet Transy	Contraction Deside 1 in con-
tee 10 feet and 10 feet	1	at the second se	Ar
			And And Parks, MULTINE
35 NEAK-0.00 4015		· · · · · · · · · · · · · · · · · · ·	21 Tane stocks playing a rule b
		er   0mc 1284	The barrier of the second seco
Ward Still Team ( Print) Print			Christopher Kinversi + 17
			or way close to 1 M2
55 NH 175 UT			Christian Sevena (117)
			The loss has been been a fight
	the first of the little state of the		Wethere Grahami II II pro
ries Pos Yest	Alle File	the star of the star of the star	10 restin
	And and a second se	1. P.M.	Ballion Costant - 1 an
100.0078 (10.0100) (0.0703 (0.0007)	UNE NOWS STREAM		💐 102 to a Be only byge Ba
	Annual And and point time and a function	heat DEREPORT PROTE 0 0	Giftert Dentard, 150 pr.
	MILLIN LADY	Del a londer per sova a reprisa? Resultance	an here apport such for t
	WESTINGS Ford Markets Consolition Areas (\$2005)	Report Sector Se	The site based in the set the
10 MPS (11 MPS) 2 MPS (11 MPS)	Annual Test Print and Links	Page 1 and 1	is measured to value Gene
	The EOE's Divides Days Tena Will Europe Take / New York 20	And Ben	exceed 10% of the total mar
ne prine providel in performing with Thomasia Royland New In: Tatle 🌒 Back Parts 🔕	Children & Linear Children Constanty and Februarishi Educations	Testay 8 7 View Q	The finite in a cardy about

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



Watch the Video

#### Alert

9:52 AM Losing Ground After S&P PMI

**MBS Morning** 

12:26 PM More Stable Start, For Now

Econ Data / Events

- NY Fed Manufacturing
  20 vs 12 f'cast, 31.2 prev
  - S&P Services PMI
    - 58.5 vs 55.7 f'cast, 56.1 prev

#### Market Movement Recap

- 09:46 AM Modestly stronger overnight, but giving up gains in domestic trading. MBS up 2 ticks and 10yr down less than 1 bp at 4.385
- 12:15 PM Trying to bounce after hitting weakest levels. MBS down 1 tick (.03) and 10yr up 0.7bps at 4.399
- 03:28 PM Off the weakest level. MBS unchanged and 10yr 0.2bps higher at 4.394

#### Lock / Float Considerations

The new week is off to a bit of a different start when compared to last week's moderate but pervasive weakness. Unfortunately, one day isn't enough to confirm that last week's trend has done anything but simply run out of steam. A full-fledged reversal would require a positive reaction to this week's data and Fed announcement (and dot plot).

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

- Ceiling/Support (can be used as "lock triggers")
  - ° 4.43
  - 4.35
  - 4.30
  - 4.20
- Floor/Resistance
  - o **3.99**
  - ° 4.12

#### **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	4.398%	+0.006%
2 YR	4.250%	+0.012%
30 YR	4.605%	+0.006%
5 YR	4.254%	+0.006%

#### Open Dashboard

Share This