



The Day Ahead: Once Again, Bonds Fight Back Against Stronger Data

Yesterday, it was S&P Global PMI data. Today it's Retail Sales. Both were stronger than expected. Both failed to cause any lasting weakness in bonds. Today's reaction was far friendlier, largely because the internal components of Retail Sales were NOT stronger than expected. In fact, the "ex autos" component was 0.2 vs 0.4, and can likely be credited for early resilience in bonds. 10yr yields started the day slightly higher, but are well into positive territory at 11am.



John Small

Mortgage Loan Officer,
DMV Home Funding L.L.C.

www.dmvhomefunding.com/jsmall
jsmall@dmvhomefunding.com

14151-A Robert Paris Court
Chantilly VA 20151
DMVHF NMLS#1874961
MLO NMLS#1712144



In the bigger picture, yields are still trending higher, but today represents another attempt to break that trend as seen after last Wednesday's CPI data (both attempts highlighted in the chart below).

10yr yield, 15min candles

