MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Steady Selling in Bonds. 'Tis The Season?



140 Litton Dr Grass Valley CA 95945 NMLS: 254913, 254875 & 270488

Steady Selling in Bonds. 'Tis The Season?

MBS Recap Matthew Graham | 4:00 PM

Bonds began the day in weaker territory and continued to sell off through 2pm ET despite an absence of any obvious justifications. That said, 'tis the season for bonds to move whichever way they want without any obvious justifications. Volumes were as low as you'd expect for X-mas week, if not slightly lower. Treasuries are in a cautious stance, having been tasked with underwriting several huge shorter term auctions on X-mas week, and less than one week after a big dust-up with the Fed. It's basically the bond market version of "sell in May and go away," except May is December.

	MMBSLIVE	🖬 * 100.5 * 100.5 * 🖬 0.	
THE PROVIDE OF O	TRUE THE CHART BANK	0 0 REAL TIME CHART (K)	MES LIVE OWN
10.VR	DEVELOPMENT OF THE PARTY OF THE		COROLL OF the
Mi Chana	106.75 (0.00) 00.75 00.75 00	1 1970 (0 0010) LON LON LON	Gen Out They
Pros antipartit -	(mail burnet + 1010	course (servers) over or	ERG = SELE
Mar 16 Year / Feet	Just Care 24 The Star Star Star Star	Desire Charles and The Time Time Time Time Time	They will chose a service of the ser
10 10 10 10		HAM .	Andy Parls, dr. (1.1 or
			And an
		18 feet freezes	And the local statements of the second
Non 10 Team (Team)		104.00 MILLION AND ADDRESS AND ADDRESS	Av. Return Darake 1 man
		Over 1/100	Andy Parks, ACCOMPT
35 10144-030 405	Infilment Infilment	DAME V V VI CALORE V	2 Taxe stocks playing a nim b
48 19729-010 1012		The state of the s	The Darbert Darbert of Contract
West 20 Trans (Free)			an figure, apple boal of ear
			Christopher Erroses: + 17
35 10488 171 188		The Contract of the Contract o	
48 19879-688 487			Contactuation Viewennes 4 107
NAME AND ADDRESS OF ADDRESS ADDRESS OF ADDRESS OF ADDR			The station (robust 1 if on
dan ban bar	And And And And And		Item for mentioned hat a
		the star of the star of the star star	The second state of the second
100,7100 (-0.0000) 0.5110 (-0.0000)	CENT NOWS STOLEN		Butthew Graham (+ 11 pm)
1003078 (101010) - 0.8703 (101017)		COLUMN SOLUTION OF	all 1016 a Re arty byge he
	All and and point times and the	Ghest DECEPTION PARTS 01	Collect Designed 1 10 per
	MELLIN AND	Ord a tenderigen weye a reprise? Resultance	
	WEB Recipt David Markets Consolidate Alvest 142/05/C	Report and particular to the contraction	The site and has to meet the
10 MPS (11 MP1) 2404 (10 MP1)	Anned The Date: A LTAN	Page 1 Contract	is measured to value Gene
en totale serveral 24 en 10% 1.3120	The ECE's Denotes Trays Tens. Will Europe Take / Process	and the second	exceed 10% of the bild mar
	Case + 1794	Tater 0 7 Year 0	The links we have
tere les Tota e Tank Park O	CETTER Control on Financial Education	allers a start	Transa Bough
	Constanting states		The Date Dates 110 and
	O House State of Second Advances (Poll 19 of a		There is no monitoria or man
Permit Teneral Talanta Series			Nones transed under the S
And a set of the set o	a state ball of the second state of the		Erick McFarlane, 1 47 pm
ay, January 27th was not been be	AND DESCRIPTION OF THE OWNER		anyone trees man acreage
Cit due size availe 11	NES CHEALERT THEY	ters tends textus topologity	A REPORT OF A DECK
Real-frame and and an and an an an and an		Lows 334 pm MB Mann Tel Rood	
Destinant second Day 44 64 67 4		321pm New Parts Martin reduct clark	TELEVISION NEW YORK - 1800
	Radio - 2 Citile Los Marco Cont Matagen 7 Ex Not the Apricalizes	115 pm Burburt man John Sheaded	The local local division in the second
Destroyees be 8 44 44 4		215 pm Fursin Mater John Deaded	Tel, Tel alte1
Logard Anima Hotelson Hat Dates	The second secon	252 pm Dirate Mone Interfelat	and states from the second

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

Watch the Video

Alert

10:07 AM Down an Eighth From Highs, But Weaker Data Could Help

MBS Morning

12:30 PM No Help From Weaker Econ Data. Holiday Week Idiosyncrasies

Aler	t		
2:15 PM	Dow	/n More Than a Quarter Point	

Market Movement Recap

- 08:39 AM modestly weaker overnight, mostly after Europe opened. MBS down 2 ticks (.06) and 10yr up 3.5bps at 4.549
- 10:16 AM Weaker over the past 45 minutes. MBS down 7 ticks (.22) and 10yr up 5bps at 4.564
- 03:03 PM Weakest levels of the day with MBS down 10 ticks (.31) and 10yr yield up 7.7bps at 4.592

Lock / Float Considerations

All bets are off until further notice following the Fed day rout. That said, it has been and continues to be the case that any meaningful improvement in rates will require downbeat economic data and softer inflation. At this point in the year, we're waiting until early January for the next major shoes to drop (NFP and CPI, specifically).

Technicals/Trends in 10yr (why 10yr)

- Ceiling/Support (can be used as "lock triggers")
 - **4.57**
 - **4.50**
- Floor/Resistance
 - ° 4.20
 - **4.30**
 - **4.35**
 - 4.43

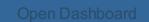
MBS & Treasury Markets



MBS

30YR UMBS 5.5 30YR UMBS 6.0 30YR GNMA 5.5 15YR UMBS-15 5.0

US Treasuries					
10 YR	4.588%	+0.073%			
2 YR	4.340%	+0.033%			
30 YR	4.774%	+0.055%			
5 YR	4.435%	+0.057%			



Share This