MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Small Scale Volatility as Bonds Wait For Jobs Report



Todd Hanley, RICP®, CMA[™]

Senior Loan Officer, United Direct Lending

https://todd.mortgage M: (954) 806-5114 todd.hanley@uniteddirectlending. com

5500 NW Glades Rd Boca Raton FL 33431-7367 LO71086



Small Scale Volatility as Bonds Wait For Jobs Report

MBS Recap Matthew Graham | 4:11 PM

Bonds lost ground this morning despite a weaker S&P PMI headline. While there were some mitigating factors beyond the headline, we could just as easily conclude that traders are erring on the side of caution heading into a week of Treasury auction supply with another big jobs report on Friday--all while being forced to wait an unknown amount of time to find out where the rubber meets the road on fiscal policies that could further affect the outlook for the economy, inflation, and Treasury issuance. All told, today's volatility was mild at best and we didn't learn anything new about the bigger picture.

					and the second		
			MMBSLIVE		🔝 * 100.0 * 100.0 * 100.0 * 🔲 0.000.0000 *		
INC PROPERTY		0.0	REAL THE CHART MANE	0.0	REAL TIME COURT (40)		MES LIVE OWN
11.14			STREET, BARRIER W	PROF 0708 LOW MOR 108,75 108,77 108,75 108,88	10 Year Treasury *	And	COLOR OF MAL
	Pro	No-Denne A Triane Late	106.75 (0.00)	CHART OFTICAL + INLECT CHART +	1.8270 (-0.0010)	Gueromous a	Gen Out The
Red 10 Year 1			Junction 10 Tel Tel	CONTRACTOR INC.	Door Oast M THE THE DAY NOT THE THE		The last Dariely in the lower to
		104					
							And Parks, March 199
					100	10 Fear Descent	Con plate hanks three
Real (10 Years of				194.04		100/05 12 30PM	and tone die Reg play?
		1994	1 1 40 h			Open 1789	Anty Parts, AU L Mark
	101.44 -0.00			THE REAL PROPERTY.		Low 17930	24 rate state playing a rule for
40			U U 100			Gene 12810	The barrene and the second
No. 21 Test							pe figure, apple beat or ears
							Christopher Einennei + 17 -
						40.1	Company Street and Street and Street
	106.70 -0.00					1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	The first his host being 1.87 for
ne of color				100 (And 100)		1 4 4 4 1	Reffere Gruham (+ 11 pr
	10,2109 218,8000		UNE NEWS STREAM			P.44	Mathew Costant - 11 an

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



Watch the Video

MBS Morning

10:31 AM No Help From Econ Data as Bonds Prepare For Supply

Alert

10:36 AM Down More Than a Quarter Point From AM Highs

Econ Data / Events

- • S&P Services PMI
 - 56.8 vs 58.5 f'cast

Market Movement Recap

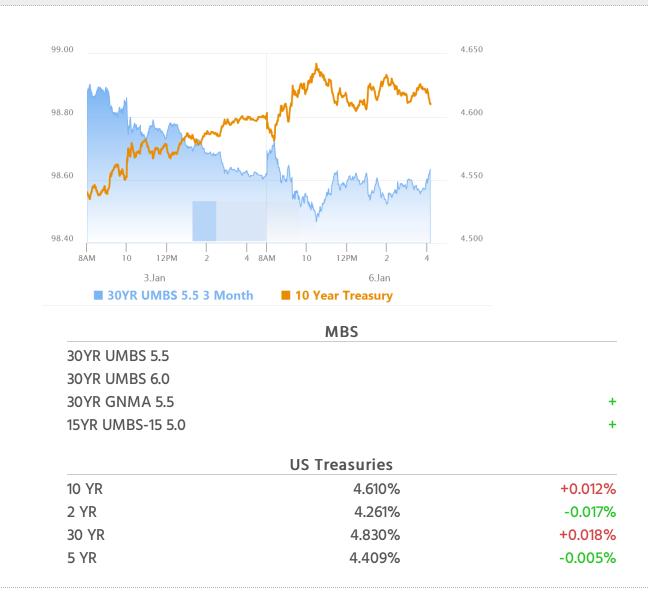
- 09:47 AM Slightly stronger overnight but backtracking in first 2 hours. MBS down 2 ticks (.06) and 10yr up 2.4bps at 4.622
- 10:37 AM Weakest levels. MBS down more than a quarter from highs and 5 ticks (.16) on the day. 10yr up 3.8bps at 4.636
- 02:04 PM modest recovery into the noon hour, but falling a bit since then. MBS down 2 ticks (.06) and 10yr up 2.9bps at 4.627
- 04:11 PM Calming down in after hours trading. MBS down only 1 tick (.03) and 10yr yields up 1.2bps at 4.61.

Lock / Float Considerations

Rates continue muddling along at or near longer-term highs following the December 18th Fed announcement. There haven't been any glorious recoveries since then. If we hope to see one, it would depend on big ticket econ data like the jobs report or CPI (Jan 10th and 15th respectively).

Technicals/Trends in 10yr (why 10yr)

- Ceiling/Support (can be used as "lock triggers")
 - **4.74**
 - **4.67**
- Floor/Resistance
 - **4.30**
 - **4.35**
 - · 4.43
 - · 4.50
 - · 4.57



MBS & Treasury Markets

Open Dashboard

Share This