# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

### MBS Recap: Slightly Weaker Drift, But Broadly Uneventful



Seth Wilcock MLO, CMA, VMA, CMPS, CVLS, Resolute Lending Powered by IMB

www.resolutelending.com **P:** (720) 593-6682 **M:** (720) 590-2492 team@resolutelending.com

3209 W Smith Valley Rd Greenwood IN 46142-8020 NMLS 389617 | IMB NMLS 2191655 Equal Housing Opportunity



# Slightly Weaker Drift, But Broadly Uneventful

MBS Recap Matthew Graham | 4:55 PM

Friday may as well have been a 4th weekend day for the bond market. Volume and liquidity were obviously in holiday mode. Trading levels were basically flat, although it might not feel that way if you're seeing MBS prices end the day down more than an eighth of a point. It's unclear whether we're seeing actual weakness at the end of the day or an incidental expression of extremely thin liquidity. Even if it's "real," it's still not bad considering where we were on Tuesday afternoon.

			MMBSLIVE	Image: 100 - 100.	a • Settinga • 📗 Genera	
INC FROM	#6	0.0	TREAL THE CHART MANE	O D REAL THE CHART (C)		MES LIVE OWN
10.10			106.75 (0.00)	TILI CONTRACTOR CO		Contrast Contrast
		ETSAM LST .	react of (artes) cover process to	acrower-		State
Rest 26 Year'			Just that 24 Not the first the the	Annual Program in the State St	Prove Charle 200 TSR' TSR' TSR' TSR' TSR' TSR'	
	102 14 1111	100		HAM		Andy Paula, July 1.17 yes
						All same
					He fear Dearsey	Contractor Danks 1 in one
fee (il finer				the set	Open 1,/100	Array and have do here you?
18	10.01				High 1757	Antip Party Act and an
	100.441-0.00				Low 11/100	27 Tant stocht playing a nite ber
					Anna (1266)	an berne spin best of new
Rei 31 Tear						Christopher Knyssen ( 17 )
	103 36 10.02					or very close to 1 M
				And a local division of the local division o	948.7	Christianer Merenau 117 of
						The fits has been been 1.87 for
de serves.			ten fri der i ster der i Ren Ster			Builders Gruham, 1 11 and Hum fee mentioned had a to film wells.
	100.2109 2-0.00003		Conservation and		F.Me	Bathew Galant - I

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



Watch the Video

#### **MBS Morning**

10:38 AM Pre-3 Day Weekend Volatility is a Thing

#### Alert

11:08 AM Down Almost a Quarter Point From AM Highs

Alert 4:04 PM MBS Down to New Lows in Late Trading

#### Econ Data / Events

- • Building Permits
  - 1.483m vs 1.460m f'cast
  - Housing Starts
    - 1.499m vs 1.320m f'cast

#### **Market Movement Recap**

- 09:37 AM stronger overnight but giving up those gains in the past hour. MBS now unchanged and 10yr down half a bp at 4.609
- 01:57 PM Sideways at the lows. MBS down 1 tick (.03) and 10yr down half a bp at 4.608
- 04:05 PM Weakest levels of the day. MBS down an eighth of a point and 10yr up 0.4bps at 4.617

#### Lock / Float Considerations

As of Thursday, bonds have enjoyed a solid 2-day improvement. Most--if not all--of that was driven by tangible data and events, but there is some question as to whether momentum and position squaring made for bigger gains than we otherwise might have seen. Risk-averse clients would defend against

that risk in the same old way. Risk tolerant clients now have some more room to set lock triggers at recent overhead rates.

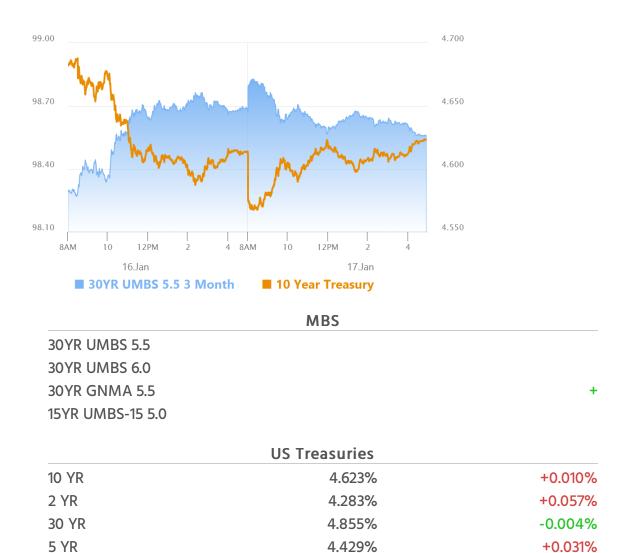
#### Technicals/Trends in 10yr (why 10yr)

- Ceiling/Support (can be used as "lock triggers")
  - **4.88**
  - ° 4.80
  - **4.74**
  - **4.67**

#### - Floor/Resistance

- ° 4.43
- **4.50**
- **4.57**

## MBS & Treasury Markets



**Open Dashboard** 

Share This