

The Day Ahead: Yields Finding a Ceiling After AM Data

Due to the incredibly light calendar of economic data this week, this morning's combination of S&P PMI and Consumer Sentiment added up to the most consequential morning of market movers for bonds. There has indeed been a bit of a reaction, but it's playing out well within the recent range.

There was 2-way volatility following the PMI data due to stronger internals offsetting a weaker headline. 15 minutes later, calm inflation expectations and modestly lower Consumer Sentiment offered no objections to a modest rally. Ironically, the highest volume move occurred at 10:50am ET without any clear connection to data or events (not to say there is no connection, but not one that we've seen).



Paul E Smith

Owner, Main Street
Mortgage Company

www.texasmainstreet.com

P: (713) 528-1245

M: (713) 480-7385

3100 Richmond Ave
Houston TX 77098

MSMC NMLS 296814

Paul E Smith NMLS 193580



With that, the day is essentially over unless something interesting hits the news and grabs the market's attention (always possible, but never a given).