MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Not Expecting Fireworks From The Fed

SHOP WITH CONFIDENCE



Faisal Momin

Mortgage Loan Officer, Keyalo Capital Solutions

www.keyalocapital.com P: (281) 948-2967 faisal@keyalocapital.com

12808 W. Airport Blvd Sugar Land Texas 77478 2351128



Not Expecting Fireworks From The Fed

MBS Recap Matthew Graham | 4:20 PM

Bonds had a mixed reaction to this morning's Durable Goods data with stronger internals offsetting a weaker headline. Sellers were in control for most of the AM hours, but momentum shifted with the 7yr Treasury auction. All in all, it was a solid showing in spite of the rebound in equities markets (something we only care about today because it was a huge consideration yesterday). Looking ahead, tomorrow's only notable agenda item is the Powell press conference at 2:30pm. The announcement itself can't really offer any tradeable news. Even Powell would be hard pressed to shake things up too much considering the mildly positive cue from inflation data and the ongoing policy uncertainty as a counterbalance. That said, one can never truly rule out a volatile reaction to a Powell presser, but the odds are certainly lower this time around.

			MMBS	LIVE	10 · 10.0 •	104.1 • МПИСА • 📗 САЛИКИ	
INC PROP	# \$	0.0	HEAL THE CHART MANE	0.0	HEAL THE CHART (40)		MES LIVE OWN
12.18			STREET, BARRIER W	Main Series allow miles NALTS NALTY TAKIN TAKIN	to test theory *	FROM DER LOW MON	(1220) (1744
		Ny Change -	106.75 (0.00)	Covert present + DEACT COVERT +	1.8270 (-0.0010)	CON CON CON CON	Star Out / Net
Res 38 Year			Junction 10 Tel 1987	Set Not The Tage	Incompany of the life	The second second	They all closed much lower 1
		1910			The second second second		Andy Parls, July 117 yrs
	10108-0101						And the set
						10 fee Second	The state bank the se
6e)0 Toor			1.1.1	14.14		Com 1/100	and some did they play?
			E 1 401	•	0.0	Mark 1240	And And Parks, All Column
	100.00-000			THE REPORT OF A		Level 1 7400	24. Take shots playing a nim ber
10				The second se	and the second second	Sever 12844	The for Experience of the second
Res Do Trees							ga kpure, apple beal or ears
						1 C	Christopher Einennei + 17
						Line 1	Christianier Verenne - 17 or
	104,75 -0.00					1 N N	The Distance being 1.57 for
			San Groupher 1	100 C			Watthew Grahami, 1 H pr.

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



Watch the Video

MBS Morning

9:02 AM Stronger Internals Offset Weaker Durable Goods Headline

Econ Data / Events

- • Durable Goods
 - -2.2 vs 0.8 f'cast, -2.0 prev
 - Durables excluding defense and aircraft
 - 0.5 vs 0.3 f'cast, 0.9 prev
 - Consumer Confidence
 - 104.1 vs 105.6 f'cast, 109.5 prev

Market Movement Recap

- 08:41 AM Slightly weaker overnight and little-changed after Durable Goods data. MBS down 2 ticks (.06) and 10yr up 2.8bps at 4.566
- 10:57 AM Back near weakest levels as stocks rebound. MBS down an eighth and 10yr up 3.5bps at 4.574
- 01:43 PM Stronger after 7yr Treasury auction. MBS unchanged. 10yr up 1.6bps at 4.554

Lock / Float Considerations

Bonds remained surprisingly calm as stocks unwound the initial explosion of DeepSeek drama. This is refreshing resilience, all things considered. It creates some room for risk takers to take risks even though those risks are only likely to pay off in a meaningful way if economic data comes in soft. Risk-averse clients are still waiting to see a confirmed shift in data and the rate trend.

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

MBS

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

US Treasuries					
10 YR	4.534%	-0.003%			
2 YR	4.196%	-0.003%			
30 YR	4.777%	+0.004%			
5 YR	4.330%	-0.003%			

Open Dashboard

Share This