MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Bonds Rally Back to Prevailing Range



Matt Graham Founder and CEO, MBS Live



Bonds Rally Back to Prevailing Range

MBS Recap Matthew Graham | 4:38 PM

The only moderately inconvenient part of the day was the morning hours as bonds lost ground overnight and started out weaker in domestic trading. That didn't last long. Yields began falling just after 9am and continued lower after today's biggest economic report came out weaker than expected (job openings at 7.6m vs 8.0m f'cast). Oil prices took a temporary hit from newswires regarding Trumping increasing pressure on Iran, but as that price spike leveled off, bonds continued to improve. Some news outlets suggest today's gains had something to do with the Mexico/Canada tariff pause, but that news was out well before the AM weakness. The simplest view is that bonds opted to maintain the prevailing range which has seen 10yr yields hold within 6bps of 4.53 since January 24th.

	MBSLIVE	🖬 * 100.5 * 100.5 * 🔛 0.000	
tile(Placies) 0	D REALTINE CHART MAIN	O D REAL TIME COURT (KD)	MIS LIVE OWN
10 VR	Server Proban 4.0 W Proce Server and and	to the Teaching W Price Area and	COLOR OF MAR
Prop BTGARLER	106.75 (0.00) tot.15 tot.15 tot.15 tot.15	. 1.8270 (-0.0010) table table table table table	Gran Chat There
Pros Expanded			Con state facety of you
1.8		Zook Charl 20 200 200 200 200 200 200	They still closed much lower
15 NO.04-010 010			Andy Parks, dr., r. r. r.
4.0 10675-6.00 8.00		10 Feat Dessary	
Non 10 Year / In		La L	Ar a Berter Darate to an
3.0 10.05 10.00 10.00		See 198	Anty Parts, All & Mart
35 NR.44 -0.00 400		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	The set should playing a rule to
48 9878 488 488		Gene 1200 27	an bern appie beat of ear
C30 NO.94 - L 10 844			Christopher Kinversel + 17
C35 10488 -175 0.00			arvey down to 1.82
148 T 19679-688 487			Christipher Verenni 117
	The second se		Wethers Graham 1 1 pr
atten Paul York	And the second second second		then he mentioned that all
100,2109 (10,000) 81510 (10,000			Bathen Gathen +
	LIVE NOWS STREAM		10 hi a Be aris ingje Ba
		back USER REPORTED PROCE 0.0	Gitart Deniard, 157 pr.
	Manager a state	Del a lander and source a reprise? Reput Reprise	are have apperficients for t
4 487463 (41164) 14899 (4166)	With Recap Date Markets Consolides Arrive 162/DMC	Restaura for the second	The site particular is and the
10 MPS CARPO 2 404 (100)	Avera fra trea a contra	Page Ronney	is measured to value Gene exceed 10% of the later man
our price provided in parliancing with Thomason Resident	Control a particular part and the Control and the control of the	table Base	The limit makes 111-1
man ar furs e fans fant Ø	Children Contrag on Financial Education	Teday 0 7 Vew Q	The based in the careful along
MC CH PAGE	O O Description of the second	and the state of t	Con Date Dank 110 an
Partiest Contraction Institute for	THE R REAL PROPERTY AND A DESCRIPTION OF		There is no monitories or man Remain Branced under Relia
lay, January 27th Aut. Tax. Paul	and the strength dates and the		The second secon
	MAX AND A COLORADO	tag that brink formers	Ted Rood 1 1 pr
Elif dan denn ja elit. 17 Rechtlemennen fer B. 44 64 64	and a second sec	3 Jagan MB Mann Tax Rood	A REPORT OF A DOUBLE
	0	3,21 pm Rose Parts Maria Adord clark	ALCONG Non Party - 191
Dentitie on Arbons and Dec. 3.3 4.2 4.1 Dentitie general Dec. 3.4 4.4 4.8	Los Marcy Cons Margages? It's Not the Apocalypes	115pm Surbust Pages Alte Deaded	Bull Yan Geben 111 pm
	The loss have 1 mm	210 pm Prants Made Ant Prants	Tel factoreten
	and a second sec		The base Results 1 and an

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

MBS Morning

10:32 AM Recovering Overnight Losses With Help From JOLTS and in Spite of Oil Price Bounce

Econ Data / Events

- • Job Openings (lower is better for rates)
 - 7.6m vs 8.0m f'cast
 - Job Quits (lower is better for rates)
 - 3.197m vs 3.064m f'cast

Market Movement Recap

- 10:32 AM Weaker overnight, but back near unchanged after JOLTS data. MBS up 1 tick (.03) and 10yr down .4bps at 4.555
- 12:31 PM best levels of the day. MBS up an eighth and 10yr down almost 4bps at 4.521
- 03:11 PM some more gains with mbs up 6 ticks (.19) and 10yr down 4.4bps at 4.516

Lock / Float Considerations

Despite over-the-weekend tariff news, bonds are broadly maintaining plenty of composure. Risk takers continue having some room overhead to set lock triggers. Risk averse clients can keep calm and lock on, until we see a clear data-driven shift in momentum in favor of lower rates. On that note, data represents elevated risks every day of the week, and especially on Thursday night heading into the jobs report.

Technicals/Trends in 10yr (why 10yr)

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

0	4.	67
---	----	----

- Floor/Resistance

- **4.43**
- 4.50
- 4.57
- -....



MBS & Treasury Markets

US Treasuries				
10 YR	4.514%	-0.045%		
2 YR	4.215%	-0.042%		
30 YR	4.749%	-0.046%		
5 YR	4.320%	-0.046%		

Open Dashboard

Share This