# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

## MBS Recap: Nice Win For Bonds With Help From Data



Northeast Financial LLC

www.northeast-mortgage.com P:(844) 788-7237

48 Meriden Rd, Suite 1 Middlefield CT 06455 NMLS# 117273



### Nice Win For Bonds With Help From Data

MBS Recap Matthew Graham | 4:02 PM

There are plenty of moving pieces at the moment when it comes to assigning credit for various ups and downs in the bond market on any given day. Many of those can only be guessed at--or at the very least, debated--due to the uncertain eventual impact from economic policies that have yet to be fully understood or implemented. For example, some would say that bonds benefited from yesterday's news that Trump intends to take over Gaza, but others would say it was a non-event. One thing all bond watchers can agree on is that pedigree reports like ISM Services are highly likely to do logical things to bonds when they come in noticeably weaker or stronger than expected. Today's ISM data was weaker, including the price component. As such, it's no surprise to see an extension of the overnight rally just after the data, with the resulting trading levels lasting for most of the day.

			ter fillerkeitaan					
			MMBS	SLIVE	101 ·		• acesso	
100(110	CHIG	0.0	REAL THE CHART MANE	0.0	REAL THE OWAT HE			MIS LIVE OWN
11.18			DEPERTMENT OF	PROF 1993 LOW MOR \$98,75 \$98,77 \$18,75 \$18,44	10 Year Discoury			COLON OF MAN
		No Change	106.75 (0.00)	CHARLOW TORUS - DEALER CHARLES	1,8270 (-0.001		CONCORDED S	
Mart 38 Year's constraints of the		June Carl 24 That that the star that the		June Dark 24 THE THE THE NEW YORTHY		They all placed much lower		
		100			and the second second second			
								And Parks, Aug. 1. Cont.
60						10 feet		Constant Darak a local
the 10 Tes	a change		1.1.1	104.04		10000 MINON		Send note that they play?
			1146			Open 1.2		Anty Parts, Act of Mark
	105.44 -0.00		had the second	THE REAL PROPERTY.		Les 1.70		21. Fast stocks playing a nim to
			_ U _ <b>B</b> (0, U			Chest 1	No. 1	The Landback of Contract
Ref 20 To								an figure, apple beat or ear
							(1)	Christopher Elevensi + 11 -
							11	Contractor Serverse, 117-2
								The loss has been being to be a state of the
			Search Street Agents	tente de la companya				Butthew Graham ( 1 14 pr.
ries -				Sec. Sec.	a she	1 1 14 1		<ul> <li>I them for membered that a to filter pields.</li> </ul>
	100,2109 (-0.0000) 100,0078 (-0.0100)	89199 (00001)	LINE NEWS STREAM					E Matthew Graham
	when being and black.	A REAL PROPERTY.	The second se	And in case of the local division of the loc	1997 BEFORT	PRINTS.	0.0	

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



Watch the Video

#### Update

8:27 AM No Major Reaction to ADP Data

#### **MBS Morning**

10:40 AM Making Headway on ISM Data, and Lesser Supporting Actors

Update

3:07 PM MBS Still Much Stronger, But Down Over an Eighth From Highs

#### Econ Data / Events

- ADP Employment
   183k vs 150k f'cast, 122k prev
  - ISM Services
    - 52.8 vs 54.3 f'cast, 54.0 prev
  - ISM Prices
    - 60.4 vs 64.4 prev

#### Market Movement Recap

- 08:27 AM MBS up just over an eighth of a point and 10yr down 5bps at 4.46
- 10:45 AM Gains continue after ISM data. MBS up 9 ticks (.28) and 10yr down 8bps at 4.425.
- 01:08 PM Calmly holding best levels of the day. MBS up 3/8ths and 10yr down almost 9 bps at 4.419
- 03:07 PM Down just over an eighth from highs, but still much stronger with MBS up 10 ticks (.31) on the day. 10yr yields down 8.4bps at 4.421

#### 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")
  - **4.74**
  - 4.67
  - **4.57**
  - **4.50**
  - 4.43
- Floor/Resistance
  - **4.27**
  - **4.34**



#### **MBS & Treasury Markets**

2 YR	4.187%	-0.021%
30 YR	4.648%	-0.099%
5 YR	4.251%	-0.065%

**Open Dashboard** 

Share This