MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Very Low Volatility After Early Morning Rally



George Moorhead Designated Broker / President, Bentley Properties

www.GeorgeMoorhead.com P: (425) 747-1901 M: (425) 236-6777 georgem@bentleyproperties.com

14205 SE 36th St Bellevue WA 98006 Washington RE License 2390

Very Low Volatility After Early Morning Rally

MBS Recap Matthew Graham | 4:49 PM

Bonds were sideways to slightly weaker in the overnight session, but bounced back at 7am ET. The two most notable developments at the time were weak earnings from Wal-Mart and a comment from Bessent on the mix of Treasury issuance. While the former may be an easier thing to understand and write about, the latter served as the source of the bond rally. Bessent essentially said he wasn't in a hurry to add more longer-term debt relative to short-term debt, and that's good for things like mortgage rates, all other things being equal. It's also evident in the obvious yield curve disparity with 2yr yields higher on the day and 10yr yields lower.

	MMBSLIVE	🔛 * 100.0 * 100.0 * 🔛 GLOAD B	
THE PIECHS 0 C	REAL TIME CHART (MAIN) 0 0	REAL TIME COURT (40)	MES LIVE OWN
	DETERMINANT PROPERTY AND	to hear Departury W Prefer array units man	COLUMN OF SHI
Pice ETIMALET	106.75 (0.00) 00.75 100.75 100.05 100	1.8270 (-0.0010) Line Line Line Line Line Line Line Line	Gen Outries
Not 16 Year / Fee	Junction 24 Tel 198 Tel 198 Tel 199 Tel	Anna Charl M. THE THE THE THE THE THE	the loss Darrow, a service
	Hard and the loss of the loss	Time can a lat the last the last the last	They still placed much low
			And Parks, St. C. C. St.
		Hites Leaves	Con state Danke 1 men
Real (8 Plant John State	1.1.1	100/05 12 30M	and non-the Rey play?
		Over 1700	And Bally Bally Mart Hart
35 10144-030 405			21. Face studie playing a rule
		Our Little	The barrier of the second seco
Red St Tear I and Annual Annua			
			Ginington Erronen:
			Son Christenber Strenner 11
			The loss has been being being a fill?
	The second se		Wetthew Grahami + H pr
etes Paul Yest	Also Hotel	the star is not the star star star	 I them for mentioned that in 10x yields
100,2109 2-0.0003 0.0110 1-0.0003	No. of Concession, Name		Billion Content of an
	LIVE NON'S STREAM	Lange and the second seco	S 10 16 a Be arts beget
	states and articles they down it has	STATEPORT PRATE 0.0	BOR Generit Demaarth 1 Maan
		Def a hender gest move a reprise?	are have apport seen to
	With Datase Trand Markets Consolities Alternate (DAT)	Cold & School and Telephone P	The for Parents 1 to an
THE REPORT OF STREET, 2 4949 10 MILLION	Annual Test and a Links	And Anno	The alla just has to meet 2 is measured by value Car
	The ECE's Dendus Days Time Will Earlies Take (Dearlies (1))	Topolo Conney	exceed 10% of the loter of
ne pring provided is performing with Thomason Boolean News In: Tota 🌒 Rank Parks 🔕	Care & Line Climits Contag on Financial Education	Today 0 7 View Q	The back to be careful at
NECCE INCOM	The second state of the se		The barrier barrier to the
Parties and Taxan Taxan har	THE PARTY IN THE PARTY INTERPARTY		There is no monitorie or in Annual Transact under Ro

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



Watch the Video

Update

8:37 AM No Major Reaction to AM Econ Data

MBS Morning

12:00 PM Stronger Start. Thank Walmart or Bessent?

Econ Data / Events

- • Jobless Claims
 - 219k vs 215k f'cast, 214k prev
 - Continued Claims
 - 1869k vs 1870k f'cast, 1845k prev
 - Philly Fed Index
 - 18.1 vs 20.0 f'cast, 44.3 prev
 - Philly Fed Prices
 - 40.5 vs 21.90 prev

Market Movement Recap

- 09:29 AM Stronger overnight and modestly weaker after the data. MBS up 1 tick (.03) and 10yr down 1.9bps at 4.514
- 01:37 PM Very flat since the AM rally. MBS up an eighth and 10yr down 3.4bps at 4.50
- 03:48 PM Near best levels amid very low volatility. MBS up 5 ticks (.16) and 10yr down 3.2bps at 4.502

Lock / Float Considerations

Bonds are back in the stance of waiting for big ticket economic data which is in relatively short supply this week. Risk reward remains fairly neutral amid the lack of data. Friday morning's S&P PMI is an occasional market mover when it falls far enough from forecast. Apart from that, next week's PCE inflation data on Friday is the big to-do.

Technicals/Trends in 10yr (why 10yr)

- Ceiling/Support (can be used as "lock triggers")
 - **4.79**
 - **4.74**
 - **4.67**
- Floor/Resistance
 - **4.34**
 - **4.43**
 - **4.50**
 - **4.57**



MBS & Treasury Markets

US Treasuries			
10 YR	4.506%	-0.027%	
2 YR	4.270%	+0.004%	
30 YR	4.748%	-0.025%	
5 YR	4.345%	-0.024%	

÷

+

÷

+

Open Dashboard

Share This