MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Bonds Start Week Off With a Bang



Randy Vance Founder/CEO, Boss Mortgage, LLC

www.bossmortgage.com **P**: (541) 799-2677 **M**: (541) 280-8294 randy@bossmortgage.com

304 NE 3rd Street Bend OR 97701 NMLS #1455628 OR, WA, ID, CO, MT, CA Company NMLS 2547821



Bonds Start Week Off With a Bang

MBS Recap Matthew Graham | 4:03 PM

After a weaker overnight session, bonds bounced back swiftly after this morning's ISM Manufacturing data. The headline was roughly as-expected, but sharply weaker employment and "new orders" outweighed the highest "prices paid" component in more than 2 years. It took less than 15 minutes for moderate losses to flip to moderate gains. Very little happened after that apart from a slow and mostly steady trickle to even stronger levels. It bears repeating that the gains were centered on econ data as opposed to any other news.

	MMBSLIVE	🛄 * 100.0 * 100.5 * MITINGS * 🛄 GLOWE NO	
INE PIECHS 0.0	THEAL THE CHART MANS	(HEAL THE CHART (KR)	MES LIVE OWT
non Million .	106.75 (0.00)	10 That Theory * 700 000 100 000 1.8270 (-0.0010) 0000 0000 0000 0000	Ger Out Tes
Rad 30 Year - Pers	Just Carl M SH SH SH SH SH SH SH	Doors Chart M THE THE THE THE THE THE THE	They shill be shared in an an
A 102 March 1		A DESCRIPTION OF THE DESCRIPTION OF THE DESCRIPTION	
			And Party Party (P. 17) and
		10 feat feature	
tes (d Tase) - Tase	1.1.1	100/03 12 30M	Contra Darade 1 man
10 105.05 (0) 201		Open 1781	And And Parks, ALL & Mark
15 10544-030 4015	THE REPORT OF THE PARTY OF THE	1 1 W 1000 W	The set stocks playing a role t
10 10/20 110 1002		One Line	an torne, apple bead of ear
Rec 20 Team / non			
			Christopher Einenne + +*
35 10488 111 239	A DECEMBER OF	100V	Christianer Strenzer 117
		100	The loss has been being 1.82 to
ne stressament Nes Poa Yeat	Construction of the second sec		Weithers Crohamin in its pro- intern free membered that a filter sealth.
100,2109 (-0.000) 0.5110 (-0.000)	The way store at	And Pro-	Billion Galanti a II an

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



Watch the Video

Update

10:16 AM Erasing Overnight Weakness After ISM Data

MBS Morning

12:07 PM ISM Data Makes For a Strong Start

Econ Data / Events

- ISM Manufacturing
 50.3 vs 50.5 f'cast, 50.9 prev
 - ISM Prices
 62.4 vs 56.2 f'cast, 54.9 prev
 - ISM Employment
 47.6 vs 50.1 f'cast, 50.3 prev
 - ISM New Orders
 - 48.6 vs 54.6 f'cast, 55.1 prev

Market Movement Recap

- 10:09 AM Bouncing back to positive territory after ISM data. MBS unchanged and 10yr down 2.1bps at 4.194
- 01:10 PM Stock losses spilling over to help bonds again. 10yr down 4.1bps at 4.174. MBS up 2 ticks (.06).
- 03:22 PM Best levels of the day. MBS up 3 ticks (.09) and 10yr down 5bps at 4.165

Lock / Float Considerations

Momentum has generally been quite strong for the past 2 weeks. Risk averse clients view this as a risk © MBS Live, LLC. All rights reserved. This newsletter is a service of MBS Live.

due to notions like "overbought momentum" or the simple fact that the lowest rates in several months are only lockable on the day you can lock them. Risk tolerant clients are content to see how long this ride lasts, but they'll need to decide how much longer to let it ride. Reason being: even amidst a pervasive rally, bonds will find moments to take a breath. Additionally, any big continuation of the rally would require a fresh supply of negative economic data.

Technicals/Trends in 10yr (why 10yr)

- Ceiling/Support (can be used as "lock triggers")
 - **4.65**
 - o 4.57
 - · 4.50
 - · 4.40
 - · 4.34
 - · 4.19
- Floor/Resistance

· 4.05





+

+

+

+

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

30 YR	4.453%	-0.054%
5 YR	3.970%	-0.040%

Open Dashboard

Share This