

## UPDATE: NFP Very Close to Consensus. Bonds Sold Off But Are Bouncing Back

- Nonfarm Payrolls
  - 151k vs 160k f'cast, 125k prev
- Unemployment Rate
  - 4.1 vs 4.0 f'cast, 4.0 prev
- Participation Rate
  - 62.4 vs 62.6 f'cast

It appears that investors were braced for the job count to drop as opposed to inch modestly higher and for the unemployment rate to rise a lot more than it did--at least if the initial reaction was any indication. Yields jumped to 4.29 for a moment before returning to pre-NFP levels just now.

Cooler heads are now prevailing as investors move past the "shock" of the decent NFP and digest the other numbers. If there's a saving grace for bonds, it's that the participation rate means that unemployment rose more like 0.3% instead of 0.1% (lower participation would reduce unemployment all other things being equal).

MBS are up just over an eighth of a point and 10yr yields are down 2.9bps at 4.247.



**Paul Gowen**

Broker/Owner, Willamette Falls Financial

[www.willamettefallsfinancial.com](http://www.willamettefallsfinancial.com)

**P:** (503) 922-1499

**M:** (503) 381-0736

4800 Meadows Rd  
Lake Oswego OR 97035  
272830

