

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

The Day Ahead: Increasingly Reluctant to Rally Without More Motivation

Bonds were initially stronger at the start of overnight trading in Asia, but began selling off at a fairly steady clip almost immediately. By the start of domestic trading, the weakness was minimal. A stock sell-off helped bonds recover in the 10am hour, but when stocks bounced, so did bonds. Even then, we shouldn't expect yields and stocks to operate in constant lock step. In the bigger picture, bonds had rallied quite a bit up until the beginning of last week and they have been consolidating those gains ever since. This consolidation range could be viewed as being as wide as 4.1-ish to 4.35-ish in terms of 10yr yields. We'll reserve worry or excitement for a break outside that range.



Nathaniel Rutkoski

Mortgage Broker, Zoom Loans

www.ZMLoans.com

M: (408) 767-6311

2140 W Grantline Rd
Tracy CA 95376

NMLS# 356590

ZOOM LOANS

