# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

# MBS Recap: Month End Buying Pushes Back on Mid-Day Weakness



Michael Addison Mortgage Loan Officer, First United Bank Mortgage

www.MichaelAddison.com M: (214) 500-1358 maddison@firstunitedbank.com

8411 Preston Road, Ste. 112 Dallas TX 75225 NMLS# 603214 Company NMLS# 400025



# Month End Buying Pushes Back on Mid-Day Weakness

MBS Recap Matthew Graham | 3:48 PM

Bonds began the day in stronger territory as investors reacted to weekend tariff news with a risk-off move. Stocks bounced shortly after the NYSE open and bond yields were pulled higher in concert. That prevailing correlation broke down around 3pm due to month/quarter end bond buying (3pm is the official close for bonds, even though trading continues until 5pm). There was no major reaction to econ data or Fed speakers today. The data becomes more relevant in the coming days.

			MMBSLIVE	<b>1</b> • • • •		ana stata •
100.010	0160	0.0	REAL THE CHURT MAN	0 0 REAL THE CHART (R)		MES LIVE OWAT
				to text Texaury *	Angle dates the will below there the	Colored of the
	Prop	No Charge	106.75 (0.00) (ment provide			Enter Chat Party
Red 10 Year / Fee			June Care 28 That that the first that		Josephere In The Stat Stat State State 1991 1991	
	NO NO INCIDENT		Street Cont and Date and Date and Date (Date	Date Oat 10 DEC	No. The sector that that	En der Dartel, and der Bereit
	10108-0110					Anda Paula, Ju, 1 / pr
	10675-680				10 Teac Descent	and the second second
	- C			ting and the second	100/10/20 10:00%	Arr. Rend and the best start
	10.01.00		hilling and her state		Open 1,/100	AND AND THE ACCOUNTS
	100.001-0.00			AL DAM A NO	Les LINE	27. Tant stocks playing a rule for
					Over 1 7910	P P P P P P P P P P P P P P P P P P P
<b>1</b> 10 10						an typert, sopie beaf or sam
						Challedgeber Einvesten 4 of an
			T TUP	No. of Concession, Name	Care I	Christian Sevena (17)
48					- CALINA	The bis hot being 1.87 for
			the second se			Reflex Gohami + H pr.
iene -			Also Die		1 1 1 1 1 1 1 1 1	The sectored had a la
	100,2108 218 80003		and the second se			Plan Bothers Grahami a tran
			UNE NONS STREAM			107 hi is the arts logge that
			ALL DESCRIPTION AND ADDRESS OF ADDRESS OF ADDRESS ADDR	Alexand Blanch BREEFORD	Disects	O O Clast Denierd, 1975
			MILLION AND MARK	Def a lander per se	ive a reprise?	are here apportioned to b
		LADIN (CONTACT)	With Recipt David Warkets Consultates Advantage		The second secon	The site and has in meeting and
		24040 101000	Annual Ten state at LTAN	Page 1 Contract		in measured by value Center



Watch the Video

#### **MBS Morning**

10:34 AM Stronger Start as Tariffs Continue Driving Flight to Safety

#### Alert

11:30 AM MBS Down an Eighth From Rate Sheet Time Frame

#### Alert

12:51 PM Negative Reprices Becoming More Likely

### Econ Data / Events

- • Chicago PMI
  - 47.6 vs 45.2 f'cast, 45.5 prev

#### Market Movement Recap

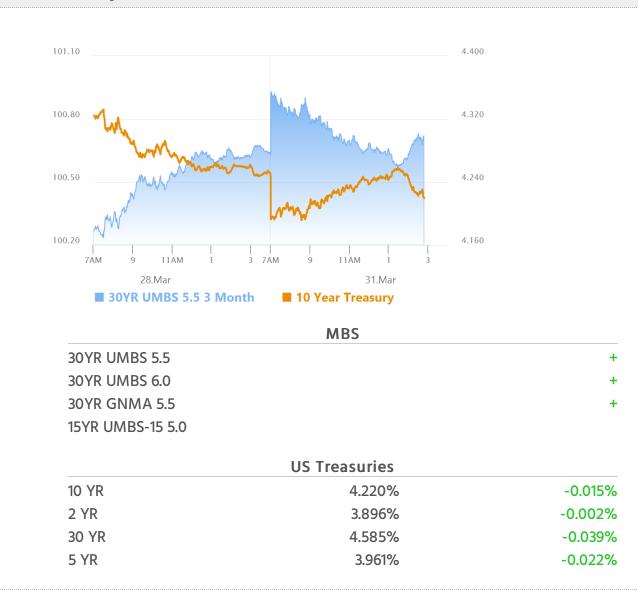
- 09:54 AM Stronger overnight as stocks continue tanking. MBS up 3 ticks (.09) and 10yr down 2.7bps at 4.208
- 11:30 AM Weakest levels of the day. MBS nearly unchanged and 10yr still down 1.3bps at 4.223
- 03:10 PM Some month/quarter end buying at 3pm helping a modest recovery. 10yr down 0.3bps at 4.232. MBS unchanged.

### Lock / Float Considerations

Due to potential distortions from month/quarter-end trading, the momentum that we're seeing at the end of March shouldn't be taken as a sign of things to come in early April. If the resilience is to continue, it would require support from weaker economic data.

## Technicals/Trends in 10yr (why 10yr)

- Ceiling/Support (can be used as "lock triggers")
  - **4.57**
  - · 4.50
  - · 4.40
  - **4.34**
- Floor/Resistance
  - ° 4.05
  - ° 4.12
  - **4.19**



## **MBS & Treasury Markets**

**Open Dashboard** 

Share This