MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Big, Early Rally, Then Flat All Day



Seth Wilcock MLO, CMA, VMA, CMPS, CVLS, Resolute Lending Powered by IMB

www.resolutelending.com **P:** (720) 593-6682 **M:** (720) 590-2492 team@resolutelending.com

3209 W Smith Valley Rd Greenwood IN 46142-8020 NMLS 389617 | IMB NMLS 2191655 Equal Housing Opportunity



Big, Early Rally, Then Flat All Day

MBS Recap Matthew Graham | 4:47 PM

On any given day in the bond market, Sometimes everything that's going to happen ends up happening in the morning, thus leaving the rest of the day to drift almost perfectly sideways. Thursday was one of those days. Overseas markets dogpiled on Wednesday afternoon's tariff reaction, sending stocks ripping lower and bond yields following. By the time US markets began active trading, most of the gains were in for bonds. MBS, specifically, barely budged from 11:40am through the close.

	n am ga por m			- Nacionalista de la composición de la c			
			MMBS	SLIVE	10 · 10.0 ·	100.3 • NTINGA • 🔛 GLOWN N	
THE PROP	=	0.0	REAL THE CHART MANE	0.0	HEAL THE OWNER (40)		MUS LIVE OWAT
1.14		a the Course	106.75 (0.00)	PROF OPEN LEW MEN TOKIN TOKIN TOKIN TOKIN COVIET OPENDAS + IKLICT COVIET +	1.8270 (-0.0010)	AND LOS LOS MAN LAND AND AND AND AND AND AND AND AND AND	Ger Out Tex
Red 10 Year			June Card Mr THE THE THE THE THE THE THE		Zoon Dark 20 THE THE THE THE THE THE THE		The bar Dariely of the second second
10	102.08	100					Andy Parls, dr.; 1.1' ere.
							A Antes
40						10 fear Dearary	Contraction Danake 1 in our
ties (it finan			10.00	104.04		Cores 1/100	Sector and the sector of the s
38	10.01		1140	State State		Max 1710	Anty Parks, Act of Street
	10144-100		NER LIC. 1			Lew 1.7030	These searchs praying a role to
•0						Gen (1964	The tax Darsels, 1 10 and an early band on early
Red Do Team							
58	NO 36 -110					4 D 5	Christopher Einennei + 17
				A DESCRIPTION OF THE OWNER		1000	Christopher Greener + 17
				And a second second second			
ne sor cos			the standard standards		-	1 1 44 14 14 1	Rethree Groham (1 11 pr Hann fee mentioned that at High yields
100,2109 (-0.000) 8,5150 (-0.000)		CLASS NEWS STREAM				Bathew Graham a litter	

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



Watch the Video

Update

10:10 AM Additional Gains After Weaker ISM Data, But They're Not Sticking

MBS Morning

11:19 AM Global Markets in Flight to Safety After Tariff News

Econ Data / Events

- O Jobless Claims
 - 219k vs 225k f'cast, 225k prev
 - Continued Claims
 - 1.903m vs 1.860m f'cast, 1.847m prev
 - ISM Services
 - 50.8 vs 53.0 f'cast, 53.5 prev
 - ISM Employment
 - 46.2 vs 53.9 prev
 - ISM Prices
 - 60.9 vs 62.6 prev

Market Movement Recap

- 08:35 AM Stronger overnight as tariff rally extends. MBS up a quarter point and 10yr down 8bps at 4.044
- 01:01 PM Sideways near highs. MBS up 9 ticks (.28) and 01yr down 7.5bps at 4.048
- 04:17 PM Still sideways! MBS up 10 ticks (.31) and 10yr down 8.3bps at 4.041

Lock / Float Considerations

Bonds have been benefiting in a major way from hefty stock selling. There's a shelf life on that motivation as well as a risk of a reversal that can happen in a much more volatile way. In other words, it's not as if the rally is being driven by a confirmed shift in economic data. Instead, it's driven by an expectation about the impact of an idea that hasn't even been truly implemented, and one that could change on a whim. Floaters should proceed with caution.

Technicals/Trends in 10yr (why 10yr)

- Ceiling/Support (can be used as "lock triggers")
 - ° 4.40
 - **4.34**
 - **4.19**
 - 4.12
 - 4.05
- Floor/Resistance
 - o **3.83**
 - ° 3.92
 - **3.99**



MBS & Treasury Markets

:	2 YR	3.689%	-0.166%
	30 YR	4.475%	-0.076%
!	5 YR	3.734%	-0.124%

Open Dashboard

Share This