MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

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



Brant Phillips President, Colten Mortgage www.coltenmortgage.com M: 3039090411

6021 S. Syracuse Way, Suit 104 Greenwood Village CO 80111 NMLS #6122 Company NMLS #14210



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.

			MMBS	LIVE	10.0 ×	100.5 * MIINGS * 🛄 GUN	
THE PRO	786	0.0	HEAL THE CHART MANE	•	O HEAL THE CHART (R)		MES LIVE OWN
12.18			DEPERTMENT OF		10 Year Treasury *		CORE of the
	Pro-	And the second	106.75 (0.00)	106.75 106.77 106.75 106.88 Crowl OFTIONS + DELECTIONATI	1.8270 (-0.0010)	LOSE LODE COM COM	DRIF Dut The
No. 10 Yes			June Card THE POST NAME	COLUMN TWO IS NOT	and a second second		and the local states
1.0	NO M NOT		June Chart 24 Die 1981	No. and Conc. Conc.	Desv Oak 20 SE 36	CONCERNING THE CONCERNING	They still closed much lower
11	10108-0101	110					Andy Field, dr. 1
10	10675-108					18 Fear Treasury	Constant Danks 1 hours
the 10 Year			1.17	the second s		100/05 12 30%	Ar and the set of the part
		1944	1146	•		Open 1,7810	Anty Parts, ALL CALLS
	105.66-10.00		had the second second	III A PARAL INC.		Les Lines	21. There should playing a rate b
48			1 II 10 0. I		and the second second	Conc. 12808	The Top Particle Contract of the Contract of t
Red Do Tes							Christopher Einverni + 17
:50	10306-010						or very close to 1.8.7
						3087	Christianer Nevens 117
							The ballog beau 1.87 b
	COMPLET.					The state of the s	Batthew Graham, 1 11 pr.
eten .		THE		P.ba		a she to the	10p years
	100,2109 218,00003		CLASS MORE STREAM		-		Worthers Graham: 1 11 pm
	100.0078 [10.0790]	0.8729 1030575			COLUMN STREET	9075 0.0	and the set byge by
	NUMBER OF STREET	12000 1010001	Albert And exclude	a team and a rest of the		sors 00	Callant Dentard 110 pr
	102100-01200	14210 101001	MET CHARACTER		Chil & lander and room		The state Darah, 110 pr
	10 8875 14 894	2 allow the local division	With Recipt Fixed Warks	ta Canadidata Atriag (NEON)	Reportant Provide Land	te services	The site just has to meet the
-		2100 1020 10100	Avera The Web IN 1996	Tream and Longer Labor, Name and Lit.	Passis Formaty		is measured by volue. Gene exceed 10% of the loter mar-
	under a performing with Vi					one .	The little balance in an
	te 🛊 tes tes O		OTTEL Contrag on Filmer	Cal Education	Today 0 stars 1	7 Ver Q	The set of
MICOLINGAL 0				and Advantis in the local division in	A 100 100		There is to mental an end
Per Vest	States in succession	Training Income					Nones Branced under Reil
	and the second se		a term and				The Brian McFarlane, 117 pro-
	wy27th a	of Far Para Bar					anyone know man accurate

© 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

- 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

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

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

- ° 3.83
- **3.92**
- **3.99**

MBS & Treasury Markets



MBS

÷

+

÷

30YR UMBS 5.5 30YR UMBS 6.0 30YR GNMA 5.5 15YR UMBS-15 5.0

US Treasuries					
10 YR	4.035%	-0.089%			
2 YR	3.689%	-0.166%			
30 YR	4.475%	-0.076%			
5 YR	3.734%	-0.124%			

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

Open Dashboard

Share This