MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Heavy Losses as Bonds Brace For Tougher Times



Jason Barlow Mortgage Advisor M: (760) 566-8829 Coto de Caza CA

NMLS#1368625 DRE#02103439



Heavy Losses as Bonds Brace For Tougher Times

MBS Recap Matthew Graham | 5:34 PM

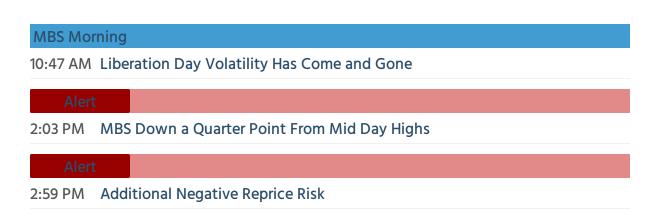
This morning's commentary suggested that "liberation day volatility has come and gone." That's true, but now we've moved on to the volatility associated with actual tariff implementations. While there was some hope and even expectation regarding "deals" being worked out, there's been notable escalation with China over the past 24 hours and it's causing issues for bonds for a variety of reasons (detailed in today's video). Inflation is a concern, but not the biggest. On an esoteric note, foreign Treasury demand correlates with import volume, so if tariffs lead to sharply reduced imports from the likes of China, it has implications for Treasury demand in the future. Compounding the problem is that a system that relies more on tariffs for revenue will then have to issue more Treasuries to address shortfalls. Bottom line: unfriendly double whammy for rates, regardless of inflation.

	a geotales a							
			MMBSLIVE	10 ·				
100.000	786)	0.0	NEAL TIME CHART MAIN	0.0 HEALTHE OW	AT (KI)			HUS LIVE OWN
10.78	Per	No. Comp.	105 75 (0.000 106.75 106.77	1.8270 (4)	1.1200		ter KSR HART DATIONS F	Gen Out Texe
Res 20 Yes			June Days 24 THE THE THE THE THE THE	Constant II	-	THE R		The bar Darred, it is not the set of the set
		101		10.04				Anty Parls, July 1 11 an
								The same
						18 Fear Treasure		Con exter bank: Course
aa 30 Taa			100	tinte and the second se	61. A.M.	Date: 1,753	* A.	and non-did key play?
			11 M	6 C		High 12511		And Parks, March 19
	105.44.10.00			161 NO. 1 N. 1		Low 117850	1442	21. Take stocks playing a rule to
				A CONTRACTOR OF			1.12	Delter Dariek, 1
Ref Do To						-		Christopher Enverse, e
							f 1	ar way down to 1.82
	N04.88 -175			And a second sec		- 14 C - 1		Christianer Nevense 117.
								The ballot being 1.87 for
								Butthew Grahami + 11 pr
fes .			8.60 20	-	tion in the local division in the			10gr statility
	100,2109 (14,0000)		and the second se					Ballion Contains a low
	1003078 (100190)		LIVE NOWS STREAM	And in case of the local division of the loc				📲 107 to be only bugge the
			Attest And and place lines	Area Ghant DELETO	NUMBER OF STREET		0.0	Callert Denizerth 150 pr
			Million Laura	Def a lander	Cash International		(Reals)	an han appelies to t
		CADIN TRADUCT	WITH Recap Ford Markets Consolders Altern	Inclusion Insurance	second in the surveyorty	The state	A STATE	The site bands in the set the
		24040 101000	Arrived The Print of Little	Taxable	the second se			is measured by value Gener

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



Watch the Video



Market Movement Recap

- 09:35 AM Weaker overnight and losing more ground in early trading. MBS down an eighth and 10yr up 6.7bps at 4.24
- 01:54 PM Decent recovery into mid-day, but getting shaky again now. MBS down 2 ticks (.06) and 10yr up 6.3bps at 4.237
- 04:27 PM Weakest levels of the day with MBS down 3/8ths and 10yr up 11.5bps at 4.288

Lock / Float Considerations

The first 2 days of this week have served as a sobering reminder: rallies that are built on something as capricious as tariff policy are notoriously at risk of major reversals and ongoing volatility. At this point, market sentiment is shifting in a way that makes it hard for bonds to improve much, even if the tariff news improves. Either way, the takeaway is the same: it makes more sense to be defensive until we see how Treasuries are doing after this week's auctions and inflation data.

Technicals/Trends in 10yr (why 10yr)

- Ceiling/Support (can be used as "lock triggers")
 - ° **4.40**
 - 4.34
 - o 419

- · 4.12
- ° 4.05
- Floor/Resistance
 - 3.83
 - **3.92**
 - o **3.99**



MBS & Treasury Markets

30YR GNMA 5.5 15YR UMBS-15 5.0		
	US Treasuries	
10 YR	4.301%	+0.127%
2 YR	3.730%	-0.031%
30 YR	4.775%	+0.153%

Open Dashboard

3.921%

+0.055%

Share This

5 YR