

UPDATE: CPI Drops Sharply. Bonds Adding to Overnight Rally

- Core MM CPI
 - 0.1 vs 0.3 f'cast, 0.2 prev
 - unrounded 0.057
- Core YY CPI
 - 2.7 vs 3.0 f'cast, 3.1 prev
- MM Headline CPI
 - -0.1 vs 0.1 f'cast, 0.2 prev

A typical beat/miss in monthly CPI consists of a 0.1 deviation from expectations. 0.2 is less common and is a bittersweet victory for bonds in light of inflation that may be yet to come due to tariffs. That's the concept that explains why bonds aren't experiencing a tremendous rally on this news.

Yields were already lower overnight and have added only modestly to those gains following the data. MBS are up 5 ticks (.16) and 10yr yields are down 5.3bps at 4.300.



Matthew M. Loan

Senior Loan Officer,
Mortgage Company, LLC.

mbslive.net

P: (704) 867-5309

M: (980) 867-5309

1050 W. Main St.
Charlotte NC 28031

NMLS: #987654321



Christina "Demo"
Realtor

Managing Partner, Real
Estate Company, LLC.

mbslive.net

P: (704) 555-1212

M: (980) 555-1212

social+test@mbslive.net

12954 S. Broad St.
Charlotte NC 28031



