Daily Coverage. Industry Leading Perspective.

# MBS Recap: Unfortunate Market Movement For Unfortunate Reasons



Anthony Ruddy Loan Officer, HomeLoanDone.com homeloandone.com M: (949) 246-0192



# Unfortunate Market Movement For Unfortunate Reasons

MBS Recap Matthew Graham | 5:26 PM

Global financial markets partook in a slow motion train wreck on Monday as investors shunned USDdenominated assets and the dollar itself in response to Trump's vocal criticism of Fed Chair Powell. The criticism itself wouldn't be too tough to deal with, but the prospect of "firing" the Fed Chair seems to figure much more prominently into this edition of Trump vs Powell than it did during Trump's previous term. In not so many words, this would be "bad" for both stocks and bonds. Today wasn't catastrophic by any means, but the correlated weakness between stocks, bonds and the USD is an important proof of concept.

	MABSLIVE	10.0 · 10.0 · 100.0 · 100.0 · 100.0 ·	
	INBSCIVE	and	
	O REAL THE CHART MANE	0 D REALTINE CHART (K)	MES LIVE OWNT
6.98	DEPERTONNAL & PROPERTONNAL AND		COLUMN OF MAL
Pros ATLANCE	106.75 (0.00) (methoday and	1 9978 ( A AA4A)	Gran Chat There
Not 10 Year			The set of the set of the set
10 10 10 10	Transformer and the time time time time time.	Line of Chart M Sec Sec Sec Sec 197	
55 NO.08-110 NO.			Andy Paula, do.; 1.1 yes
48 10675-688 488		18 feat framers	CO Party David Lings
New 30 Paul (1991)		10.10 March 10.000	Aus State and the Reg play?
		Chem 1788	AND AND DESCRIPTION
35 105.44 -0.00 4015		TALK A NOT THE AVE	24 Tank stocks playing a role to
		And the second sec	The for Engrand of Concession
Mar 20 Team Proc. No. 10			pa kgure, apple beat or ear
			Christopher Environt + 17 -
	T TUT		BOR Owningfor Sevense 117-
			The loss has been been a fighter
	the first family of the second s	- 14.0	Watthew Graham, 111 pp.
the Page Yang	All		The sectored had a t
100,2109 (-0.0000) 0.9150 (-0.000			Balling Costant
1000078 (100100) - 0.8723 (1000)	LIVE NOWS STREAM		2 102 hi a the arts brain the
1010000 (01000) 10000 (1000	All and an included them when	A heat (ISEX REPORTS FISICING OF O	THE General Democrity 1 10 per
NEXTONE CONTRACTOR AND A DECK		Def a lander and rever a reprise?	are have named investigat
	Will Decker David Markets Considers Allow & (DAC	Real and an internet in the second in	White Danks 110 an
INCOMENTATION OF ADDRESS OF ADDRE		and the second se	The site just has to need the
	W The EGPs Devides Trees Will Earlies Take Allington	Taptie Formay	exceed 10% of the loter mark
	Care 4 1764	and the	The West Horizon, 117-147
ere ter finte er flere flere o	CTUT's Conting on Financial Education	Today 0 7 View Q	The sead is he candy along
No. of the Contract of the second second second	Constanting from \$ 1000	1045 8 4 104	
	0.0 Heat and the second Advance Dates of the		There is to income a more
Autom Territor Tartes Au			Nones Branced under Re U
	a start will be a set of the set		The Brian McFarlane: 110 pro-
	And Designed Street Control of the local division of the local div		anyone know man acreage i
Cit das sins availe 11 Cit das sins o als 12	MES EVERLENT LESS	tare tanks Descar Reported by	and a second second second
Rendstana an an (ber 8 44 44 44	A4 More Pronounced Negative Reprice First as M05 ht i		adapticized in the second
	20	321 pm New Perm Market Advet clark	ACCRECT NAME AND ADDRESS OF
		115pm Barbard Mette Jula Deaded	Roll Van Geller: 1 17
Dentinganite Dec C 2.4 4.5 4.9	at a	115 pm Partie Meter John Dealed	ing feet feet after?
	Extreme for the first	233 pm Deams Mon Indefidant S	The second second second

 $\ensuremath{\mathbb{C}}$  MBS Live, LLC. All rights reserved. This newsletter is a service of MBS Live.

Watch the Video

#### **MBS Morning**

10:38 AM Drama Returns, But With Mixed Results For Bonds

#### Alert

12:35 PM Down More Than an Eighth From Highs

Aler	t					
1:44 PM	Nega	ative Reprice	s Becoming	More Likel	у	

#### Econ Data / Events

- • Leading Indicators
  - -0.7 vs -0.5 f'cast, -0.3 prev

#### Market Movement Recap

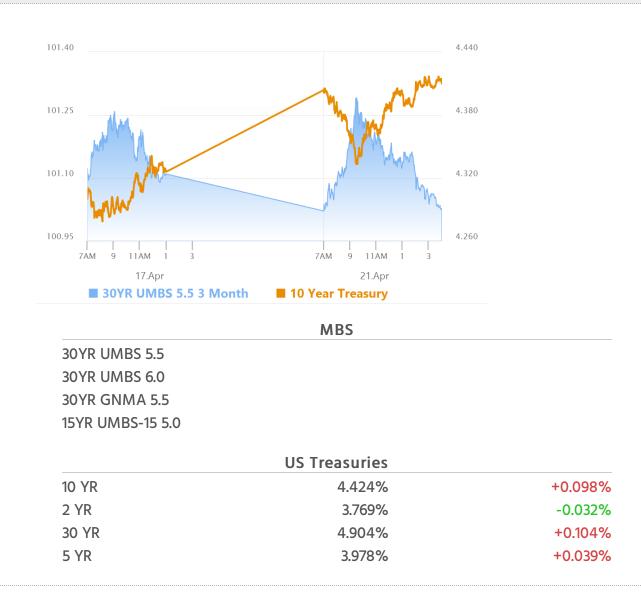
- 10:13 AM Weaker overnight, but pushing back since 8am ET. MBS down just over an eighth and 10yr up 3bps at 4.355
- 12:35 PM Nice gains into 1030am, but weaker since then. MBS now down 9 ticks (.28) and 10yr up 5.1bps at 4.377
- 01:44 PM weakest levels of the day for MBS with 5.5 coupons down 13 ticks (.41) and 10yr up 7.4bps at 4.40
- 04:00 PM More new lows. MBS down half a point and 10yr up 9.2bps at 4.419

### Lock / Float Considerations

Rates/bonds find themselves in the unfortunate and frustrating position of being more prone to react to fiscal headlines than to economic data. This means that things may look fairly calm at times when headlines are uneventful, but volatility can pop at a moment's notice if the headlines pick back up. Clarity on tariffs/trade and the status of Fed Chair Powell's tenure will be needed in order to move past this period of elevated directional risk for rates.

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

- Ceiling/Support (can be used as "lock triggers")
  - **4.64**
  - **4.48**
- Floor/Resistance
  - o **3.99**
  - · 4.05
  - · 4.12
  - **4.19**
  - **4.34**
  - ° 4.40



## **MBS & Treasury Markets**

**Open Dashboard** 

Share This