

UPDATE: Overnight Gains and Uneventful Data

- Jobless Claims
 - 222k vs 222k f'cast, 216k prev
- Continued Claims
 - 1841k vs 1880k f'cast, 1878k prev
- Durable Goods
 - 9.2 vs 2.0 f'cast, 0.9 prev
- Core Durable Goods
 - 0.1 vs 0.2 f'cast, -0.3 prev

Bonds were modestly stronger at the start of the overnight session and gained a bit more ground after trading opened in Europe. 10yr yields came into the U.S. session roughly 4bps lower, which is close enough to "sideways" these days.

One might expect the AM econ data to have a bigger impact given the huge beat in Durable Goods. But when aircraft and defense spending are excluded, we're left with 0.1 vs 0.2 forecast. In other words, the surge was not driven by the real economy. As such, it's no surprise to see a complete absence of any negative reaction.

Slow steady gains continue with MBS up a quarter point and 10yr yields down 7bps at 4.318.



Richard Ray

Managing Partner, Caliver Beach Mortgage

Caliver Beach Mortgage

P: (240) 552-5369

M: (202) 390-4483

500 Redland Court Suite 300
Owings Mill 21117

NMLS License Look Up
Zillow Ratings

