# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

## MBS Recap: Trading Range Restored. Big Data on Deck



Amber Arwine Senior Loan Officer, Guaranteed Rate

https://www.rate.com/amber P: (773) 516-6211 M: (612) 203-1562 amber@rate.com

1806 West Cuyler Avenue Chicago IL 60613 NMLS 802229



### Trading Range Restored. Big Data on Deck

MBS Recap Matthew Graham | 4:19 PM

Today's trading was almost a carbon copy of yesterday's with overnight losses, an AM reversal, and gradual improvement that leveled off in the PM hours. With those gains, 10yr yields made a full round trip back to the lower boundary of the pre-tariff trading range of 4.19-4.34. That doesn't mean anything about the future, but it's an interesting reflection on the recent past. White House comments on Amazon hit stocks early, but everything bounced back even before Amazon clarified its position. Econ data helped bonds hold or add to gains (Confidence and Job Openings). Data gets incrementally more important over the next 3 days, and volatility gets incrementally more likely to pick back up.

n da anna an th				a Shekiniki a 1-1 ama - 1 ji	······				
			MMBSLIVE		101 ·			G.049 9/12/1 +	
INC PROP	6	0.0	HEAL THE CHART MANE	9.0	REAL THE OWNER AN				MES LINE OWN
12.18			DETERMINANT *	PROF 0705 Line mile 104.75 104.77 104.75 104.88	10 Year Dessury #				COLUMN OF ME
		No Dana	106.75 (0.00)	Covert ormows + Source covert +	1.8270 (-0.001			UKDE Devet officielle - 1	
Red 18 Year's rest			Just Carl M SR SH SH SH SH SH SH		June Dark 24 THE THE THE NEW YORTHY			The bar Dariely of the second streets in second	
		100			and the second second second				Anty Parls, July 1 17 an
									And an
							10 Fear Treasure		the state bank i have
fee 30 Tawr -			1	101.00			Covers 1,7434	2 A	and non-of-key play?
			E 1 401	•		- M	High 17571		And And Parks, ACCUMPT
	105.441-0.00			THE REAL PROPERTY.		1	Low 11,7850	1414	21. Fast stocks playing a rule to
10			1 III (800.00				Ocean 1 1964	1.1	a torn age to a
Rei 31 Tear								-	
							1	C	Ginistration Environment + 17
							Line.	1	Christianian Sevena ( ) ( )
	106.78 -0.00						- TY 10		The loss has been being a fight
				teres and the second second					Butthere Groham ( ) 11 pm
141		THE		P.M.	1	1.000			10pr paties
	100210921092000	04723 103017	UNE NEWS STREAM					P Au	Bathere Graham an ann
	and the second second second	A REAL PROPERTY OF LAND	the second se	And its and it	CONTRACTOR DO	PRIME		0.0	and the second designed in the second s

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



Watch the Video

#### **MBS Morning**

10:50 AM Bonds Erase Overnight Weakness With Help From Tariff Talk and Data

3:54 PM

Econ Data / Events

### - • Wholesale Inventories

- 0.5 vs 0.7 f'cast, 0.3 prev
- Job Openings
  - 7.192m vs 7.48m f'cast 7.48m prev
- Consumer Confidence
  - 86.0 vs 87.5 f'cast, 92.9 prev

### Market Movement Recap

- 08:49 AM Modestly weaker overnight and little-changed so far this morning. MBS down an eighth and 10yr up 2.2bps at 4.229
- 09:50 AM Additional gains. 10yr down 1bp at 4.198 and MBS unchanged.
- 02:03 PM Holding sideways at best levels. MBS up an eighth and 10yr down 3.7bps at 4.171

### Lock / Float Considerations

The shift away from triple digit tariff brinksmanship has coincided with a calmer, stronger trading pattern in both stocks and bonds. We'd view this in the context of a range trade for now. i.e. if yields are closer to the lows from March, we'd feel more defensive while yields near April's highs could look more like an opportunity. Data dependence is still a thing--especially this week with several big ticket reports yet to be released. As such overnight floating carries increased risk.

### 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