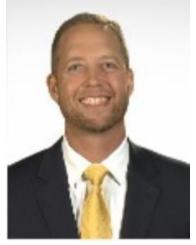
Daily Coverage. Industry Leading Perspective.

MBS Recap: Action Packed Calendar But No Major Action in Bonds



David Wiest MLO, US Bank P: (916) 955-7664 M: (916) 955-7664 1400 Rocky Ridge Dr Roseville CA 95661 561109

Action Packed Calendar But No Major Action in Bonds

MBS Recap Matthew Graham | 4:50 PM

This morning's economic calendar was certainly the most action-packed of the present week. GDP had something for everyone. The evening news can no doubt harp on the "negative" headline while the financial market immediately understood the impact of a massive surge in imports. Numbers that exclude those accounting impacts make domestic consumption look normal and right in line with last quarter. Inflation was tame, but traders are waiting for future, tariff-affected reports. Treasury issuance was confirmed to hold flat, and the "massive" 6% increase in pending home sales is like a team who won 2 games this year vs 1 game last year saying their won 100% more. By the end of the day, bonds were almost perfectly unchanged, even after month-end trading brought a big of volatility at 3-4pm ET.

			MBSLIVE	🛄 * HEAP * 100.5 * MITINGS * 🔛 GLONA	
100.010	RCING	0.0	BEAL THE CHART MAN	0 0 REALTINE CHART (40)	MES LIVE OWN
11.18			DETERMINANT TO PROVIDE AND ADD		Colorado Callana
		And Annual -	106.75 (0.00) Covert provide - States	# 89788 (A AA4AA	
Mare 16 Year' / Face			Annual State and the state and the state and	Annual Control and Table Table Table Table Table Table Table	They all threads a series of the series of t
	100 10 101	1000		TRAN	Andy Parls And 1 and
	10108-0100				And the set
				How Second	The state banks there
New 30 Te		144		tin at	Article Bergerauff
38	10.01			NATION AND AND AND AND AND AND AND AND AND AN	Taxe should alight a min ber
-35 -48	100.00-0.00			Line 1,700	The land which paying a feet to
-				and the pro-	an barn, apple beat or name
0.30	10.00				In the state of the second state of the
635	10.00				The service data is 1.82
	108.70 -0.00				Christianer Verenne 417 pr
THE STATE WATCH					matthew Crathers 1 in an
-	Para	ALC: N	And And And And		iters for mentioned that a b
-	100,2109 (14,0000)				10y years
	100.0078 [101.000]	94023 (1996)	LIVE NEWS STREAM		107 hi a Be arb boge Bat
	NAME AND ADDRESS OF	Address of the local division of	and and articles have diver	Contraction of the contraction o	Collect Demorrie 110 pr
	10021001110010	14010 111100		- Income in the second	are here apport even to be
			Will Decay Devel Markets Consultant Allow BUCKET	Cold a tender of the second of	States Daroky 11- pr
	112 8875 1.1.1.1.1	24040 (101000)	Annual Tea Date at 1704		The site just has to meet the it is measured to value. Camera
			The ECIT's Dendes Tree Time Will Europe Take / Processing	and the second	exceed 10% of the total marks
ne pring provide a parlowing elle Thomasie Review, Nore au Tata 🌒 Base Parls 🌒			Come a close COTED a Condexy on Financial Education	Today 0 7 Vew Q	The first hard a first and a first a f

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



Watch the Video

Alert

8:38 AM Bonds Losing Ground Despite Weaker GDP Headline

MBS Morning

11:31 AM Lots of Econ Data and Mixed Messages, But Not Much Change in Bonds

4:31 PM

Econ Data / Events

- • Employment Cost Index
 - 0.9 v 0.9 f'cast, 0.9 prev
 - GDP
 - -0.3 vs +0.3 f'cast, 2.4 prev
 - Core PCE QoQ
 3.5 vs 3.3 f'cast, 2.6 prev
 - GDP Final Sales
 - -2.5 vs +3.3 prev
 - Monthly core PCE
 - 0.0 vs 0.1 f'cast, 0.4 prev

Market Movement Recap

- 09:47 AM Initially weaker following data, but bouncing back on safe-haven buying (stock selling). MBS up 1 tick (0.03) and 10yr down 1.9bps at 4.157
- 10:22 AM Choppy trading, but generally resolving toward strength. MBS unchanged and 10yr down 1.4bps at 4.163
- 12:58 PM Still mostly sideways, with choppy trading dying down. MBS unchanged and 10yr down 1.2bps at 4.165
- 03:43 PM A bit stronger after 3pm month-end bond buying. MBS up 2 ticks (.06) and 10yr down 2.6 bps at

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

- **3.99**
- ° 4.05
- ° 4.12
- **4.19**
- **4.34**
- **4.40**





30YR UMBS 5.5 30YR UMBS 6.0

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

30YR GNMA 5.5 15YR UMBS-15 5.0

US Treasuries					
10 YR	4.167%	-0.010%			
2 YR	3.611%	-0.037%			
30 YR	4.679%	+0.026%			
5 YR	3.734%	-0.031%			

Open Dashboard

Share This