

# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

## **ALERT:** Losing Ground After ISM Data

- ISM Manufacturing PMI
  - 48.7 vs 48.0 f'cast
- ISM Prices Paid
  - 69.8 vs 70.3 f'cast, 69.4 prev

The S&P version of this data (out 2 weeks ago) suggested we should brace for a big spike in the "prices paid" component. Clearly, that has not materialized. Additionally, the PMI itself was slightly stronger than expected. Bonds are selling on the news with MBS down 2 ticks (.06) on the day and 7 ticks (.22) from the pre-data highs.

10yr yields are now up 2.1bps at 4.18.



**Donna Lewis**

Branch Manager | SVP  
Mortgage Lending, Rate

[www.rate.com/teamslo](http://www.rate.com/teamslo)

**P:** (805) 335-8743

**M:** (805) 235-0463

1065 Higuera Street, Suite 100  
San Luis Obispo CA 93401  
245945

