

# 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.



**Robert Shamie**

Fidelity Residential

<https://fidresi.com>

**P:** (732) 686-9999 x101

**M:** (732) 859-2400

