# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

# MBS Recap: Bonds Brace For More Data-Driven Volatility



Paul E Smith Owner, Main Street Mortgage Company

www.texasmainstreet.com P: (713) 528-1245 M: (713) 480-7385

3100 Richmond Ave Houston TX 77098 MSMC NMLS 296814 Paul E Smith NMLS 193580



# Bonds Brace For More Data-Driven Volatility

MBS Recap Matthew Graham | 4:18 PM

Today's ISM Manufacturing data played the role of coalmine canary today, and although it's not the most vigorous canary anyone's ever seen, it also wasn't dead. That wasn't good for bonds today as ISM is viewed as a good early indicator at times when the market is waiting for a certain shoe to drop (in this case, tariff/policy/uncertainty impact on econ data). ISM is also often heavily traded due to its proximity to the big jobs report (in this case, the following morning). If nothing else, the market's willingness to react to economic data once again is fully confirmed.

			MMBSLIVE	M * 10.0 *	100.5 • NTINGS • 🔝 G.CM	
THE PROP	<b>1</b> 9	0.0	REAL THE CHART MANE	0 0 REAL THE CHART HO		MES LIVE OWNT
10.18			3010 FINAL 4.8 * PRO- 100.0	to his factory *		COLOR OF MAR
	ine .	No-Change B TOAM LOT		1.8270 (-0.0010)	KADIE KADIE KOHE KADIE Cover prices	DRV Owthere
Not 10 Your			June Chart 24 That that the same tray that	Just Chat 10 100 100	Contract Sector Party Party	The bar Dariely of the second
18 .				Links	and the local local	They still chosed much lower
						Andy Paula, dr. ( 1.1 or
40					10 fear Dearsey	The state bank in an
tee 30 Teer				14.44	100/15 12 30M	Ar
	10.05		11 Mile 1 🗢 🍂		Mark 12911	And Parks, April 1994
	100.441-0.00				100 1700 A	21 rate stocks playing a rule to
40					Cons. (12804	an types apply beat or nam
Red Di Tear						Christopher Erroren +
190	NO 36 10.00		0.1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	The servery close to 1.82
35	104.00			A HEAD AND A HEAD AND A	19057	Christopher Viewerse 417
No. of Lot, in			In the local day of the local day in the local day in the local day of the local day in the			Bathen Grobert 1 1 1
iles -					1 1 14 14 14 1	iter paths
	10021082488000	8959	CLINE MONS STREAM		17.44	Bathere Grafteret of anne
	101003-00101-0	10000 (11000)	Statute And an interest lines	Areas Glant DERREPORT	NICES 0 0	THE General Demount 110 pr
			MILLION ALLOW	Def & landed and some	a reptort	are have support much for t
			With Recipt David Warkets Consolition All-	arous meeting with	Restfield .	The site indicates in the second lines
	110 MEPS CARRIED		and the second second	And Address of the Ad		In measurality value, Carry

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



Watch the Video

#### Update

8:33 AM Extending Overnight Gains on Jobless Claims Data

#### Alert

10:08 AM Losing Ground After ISM Data

#### **MBS Morning**

11:26 AM ISM Manufacturing Data Surprises Bonds (Not in a Good Way)

#### Alert

12:31 PM Negative Reprices Becoming Likely

### 3:46 PM

# Econ Data / Events

Jobless Claims
241k vs 224k f'cast, 223k prev

#### • Continued Claims

1916k vs 1860k f'cast, 1833k prev

## • ISM Manufacturing PMI

48.7 vs 48.0 f'cast

## • ISM Prices Paid

69.8 vs 70.3 f'cast, 69.4 prev

# Market Movement Recap

08:33 AM MBS up just over an eighth and 10yr yields are down 3.5bps at 4.126 after claims data.

10:23 AM weaker after ISM. MBS down 2 ticks (.06) and 10yr up 3.6bps at 4.196

12:27 PM MBS now down 6 ticks (.19) and 10yr up 6.7 bps at 4.227.

# Lock / Float Considerations

Bonds remain receptive to any major fiscal developments or tariff/trade updates, but those concerns are rapidly passing the spotlight back to big-ticket economic data. In other words, data didn't matter for a bit, but now it does again. That's an important realization with the jobs report on deck. Rates are still near the lowest levels in almost 3 weeks and Friday's data carries significant volatility potential. Floating here is only for bigtime gamblers or clients that want to bet that prices stay low and the economy will progressively worsen.

# 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



# **MBS & Treasury Markets**

MBS

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

30YR UMBS 5.5 30YR UMBS 6.0 30YR GNMA 5.5 15YR UMBS-15 5.0

US Treasuries					
10 YR	4.215%	+0.055%			
2 YR	3.700%	+0.093%			
30 YR	4.719%	+0.034%			
5 YR	3.799%	+0.071%			

**Open Dashboard** 

Share This