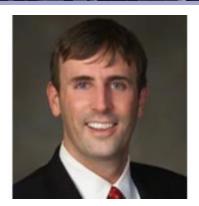
MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Data Dependence is Back, But Not in A Fun Way



James Cheeley Founding Partner/Sr. Mortgage Advisor, Lincoln Capital Advisors

www.lincolncapitaladvisors.com P: (678) 824-6563 M: (678) 824-6563

Trusted Mortgage Advisors 118012



Data Dependence is Back, But Not in A Fun Way

MBS Recap Matthew Graham | 4:17 PM

Bonds definitely paused their long term relationship with economic data in wake of the tariff announcement in early April, which was logical given the headline-drive volatility and uncertainty. 2 weeks ago, the connection looked to be returning. Now over the past 2 days, it's back with a vengeance. It's not that any of the data has been stunningly strong, but it's been much better than what some market participants were prepared to see. Friday's jobs report is the 2nd time in 2 days where traders have been able (or forced?) to reconcile their more dire fears with a less dire reality. Translation: higher stocks, higher yields. More big ticket data on the way on Monday...

			MMBSLIVE	100.5 * NO.5 * NUMBER	• 🔛 GLOWA SCHOOL •
100,000	086	0.0	HEAL THE CHART MAIN	0 0 REAL TIME CHART (K)	MUS LIVE OVAT
10.18			3010 FIGUR 4.8 *		
	Pro	And the second	106.75 (0.00) Creat of the		Court property and Courtwe
Bar 10 Year / Fee			June Day M Set that the test that the	Josephere Mar 100 Tel 100 Tel 100 Tel 100	State Banks and an
38.	NO MARKET		the second second second second second second	10.14	Toy all doord much lower
8.8	10108-0100				And Parks, St. 1.7 at
	10675-680			18 feet fe	Manager and a second se
wine (10 Tes				the second secon	
		104	1 i Mi	00m 120	AND THE REAL PLACE AND THE REAL PLACE AND A DECK OFFICE
	100.441-0.00				ta and a second paying a rest of
				Core 10	where the second s
No. Of Tax					and a figure and a set of the set
					The binding terms of the second secon
			T TUT		Christianer Verenni + 17
					The ball being the ball being the ball
			the state of the s		Rethra Graham (1 H pr.
aties -			Also Die	the star is the star of	The sectored had a
	100,2109 2-0,0000		and a second sec		P.M. Ballers (robert + 1
			LIVE NON'S STREAM		102 to a the arts logge the
			COLUMN AND RECIPIENT AND	ATTACK Grant GERRAR PORTE PROCE	O O ETT Galari Denigerik 110 pm
				Della tendeciari revela reprisa 1	an here appel even bet
		LADIN LABOR	Mail Card and David Markets Connections and Arrived	And a second sec	Real Papers

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



Watch the Video

Alert

8:32 AM First Move is Weaker After Higher Payrolls

MBS Morning

10:29 AM Reasonably Strong Jobs Report. Reasonably Weak Reaction in Bonds

Alert

11:37 AM Down More Than an Eighth from 10am Levels

3:42 PM

Econ Data / Events

- • Nonfarm Payrolls
 - 177k vs 130k f'cast, 185k prev
 - Iast month revised down from 228

• Unemployment Rate

4.2 vs 4.2 f'cast, 4.2 prev

• Participation rate

up 0.1% (bad for bonds)

Market Movement Recap

- 08:36 AM Losing some ground after jobs report. MBS down about an eighth and 10yr up 5.5bps at 4.271
- 11:31 AM More selling. MBS down just over a quarter point and 10yr up 8.8bps at 4.305
- 12:06 PM More weakness. 10yr up 10.6 bps at 4.323. MBS down 9 ticks (.28).
- 03:57 PM Off the weakest levels, but still weak. MBS down a quarter point and 10yr up 9.3bps at 4.31

Lock / Float Considerations

Friday's jobs report reiterated the bond market's re-connection to big ticket economic data, even if the example was an unpleasant one. The recent range suggests there's room to move in either direction depending on data, and Monday brings another big ticket report. Translation, risks remain higher than normal with respect to floating.

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

- 4.194.34
- · 4.40



MBS & Treasury Markets

US Treasuries

10 YR	4.306%	+0.089%
2 YR	3.823%	+0.122%
30 YR	4.789%	+0.068%
5 YR	3.915%	+0.102%

Open Dashboard

Share This