MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

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



Chris Jones NMLS ID 130813

Mortgage Loan Officer, NEXA Mortgage, LLC

www.chrisjonesmortgagegroup.co

P: (312) 505-9949 M: (312) 505-9949 chrisjones@nexamortgage.com

3100 W Ray Road Suite 201 Chandler AZ 85226 Corporate NMLS ID: 1660690



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...

1910 - Maria Maria (Maria)	-16 ¹⁹ -141 (bes 17		ي. بويدي رفيط حواليا	vivianes	and the second		
			MMBS	LIVE	10 ·	100.1 • NTING1 • 📗 GLOB STAT	
INCPACE	6	0.0	REAL THE CHART MANE	0.0	HEAL THE CHART HO		MUS LIVE OWAT
12.18			DEVERSIONALS *	PRODUCTION LONG MODE NOR.75 NOR.77 TOR.75 NOR.88	10 Year Thosay *	Angle Callon Liber Ander Kallon Kallon Challe Callon	(122) (1144
	Pro-	a visation of	106.75 (0.00)		1.8270 (-0.0010)	Case Case Constants a	GRIP ONLINE
Not 10 Year	re:	148	June Dark MR SHE SHE	NAL AND TAX TAX	Inter-Chart Mr SHE MAR	THE NUMBER OF THE	They also barred much lower 1.1
11	10108-110			18.14	1		Andy Parks, dr. (1 /
A D Mare 10 Team of						A Area Maria 12 and	Contra Danak
3.8	10.00	144	1.18	1.0	47.4	Open 1,7814	And Table 201 1 1
	10104-000		I MANAGE L	III A PARA LA DADA		104 17411 Los 17935	28. Take also a playing a rule form
14.0 March Tear						Que Lille	an Agure, apple bead of earlier
				and the second second			Christopher Kinysens, 117 pr.

© 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

Aler	
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**
 - **4.19**
 - ° **4.34**
 - ° 4.40



MBS & Treasury Markets

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

15 TK UNDS-15 5.0

	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%



Share This