MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Surprisingly Big Sell Off Relative to The Inspiration



Eric Wilcox VP Business Development, CTC Mortgage Company

https://www.ctcmortgage.com/ P: (561) 507-1984 M: (561) 853-6929

4803 PGA Blvd. Palm Beach Gardens FL 33418 NMLS 1064974

CTCMORTGAGE LET'S GET CLEARED TO CLOSE

Surprisingly Big Sell Off Relative to The Inspiration

MBS Recap Matthew Graham | 4:51 PM

Bonds ended up selling off somewhat sharply today with the bulk of the blame apparently reserved for the UK/US trade deal. In fact, the pace of the selling wasn't something we would have predicted when the details emerged this morning. This raises questions about what other motivations could be in play. Certainly, the "precedent thesis" is relevant (i.e. what does today's deal imply about how other trade deals may look?). The simplest way to approach it would be to conclude that tariffs will go up enough to increase inflation, but not so much as to hinder growth--both bad for bonds and for the Fed's rate cut prospects.

			MMBSLIVE	🛄 * 100.4 * 100.4 * 100.6 * 🛄 60.04 5	
THE PACKS 0.0		0.0	TREAL THE CHART BRANK	0 D REAL TIME CHART (KD)	MES LIVE OWT
1.11	Pro	a the course of	106.75 (0.00)	H LAND CARDON LAND THE LAND	Derive of the
Not 10 Yes	NO MONTH		Services IN DECREMENTING IN	TALINA DANK ON THE THE DAY BALL THE THE	The first of the second second beauty and the second second beauty and the second second beauty and the second sec
15 43 84 10 700	101.00 - 100		•	A the lower	And and a second
38	10.41.00	90H. 400	Mar 1º An	The Art of	Tanta fanta darin anin b
and the second				Cartine P	po types, apple head of ear
C38 E35 C48	NO 36 -0.10 NO 26 -0.10 NO 78 -0.00				Christopher Streets + 1 ar very close is 1.82
GRE 107117			the standard manufacture in the standard in the		Wetter Crahen, 1 1 av
artes.	Pear 100,2109 (10,000) 100,0078 (10,000)	Veel 69160 (1996) 68723 (1996)	Alter Alter Stocker		Real for workshow (had a ' 10pr parks, Real for a first set of a set 10pr parks, Real for a first set of a parks of a set 10pr first set of a set of a parks of a set of a parks of a set
	101,000 (01010) 100,000 (-1,000) 100,000 (-1,000)	1000 (1000)	Million Andre Santa Constants and Article	Det a lander of more a register?	Caller's Device of A - 1 - 1

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



Watch the Video

Alert							
10:37 AM MBS Down to New Lows							
MBS Morning							
11:00 AM Slow Start, Two-Way Trading After Data							
Alert							
11:58 AM More New Lows							
Alert							
1:58 PM Negative Reprices Becoming Likely							
4:23 PM							

Econ Data / Events

- • Jobless Claims
 - 228k vs 230k f'cast, 241k prev
 - Unit Labor Costs
 - 5.7 vs 5.1 f'cast, 2.2 prev

Market Movement Recap

- 09:16 AM Slightly stronger after AM data, but still weaker on the day. MBS down 1 tick (.03) and 10yr down 1.3bps at 4.283
- 10:40 AM weakest levels of the AM. MBS down 6 ticks (.19) and 10yr up 4.6bps at 4.316
- 02:46 PM sharply weaker after auction with MBS down 3/8ths and 10yr up 10bps at 4.37

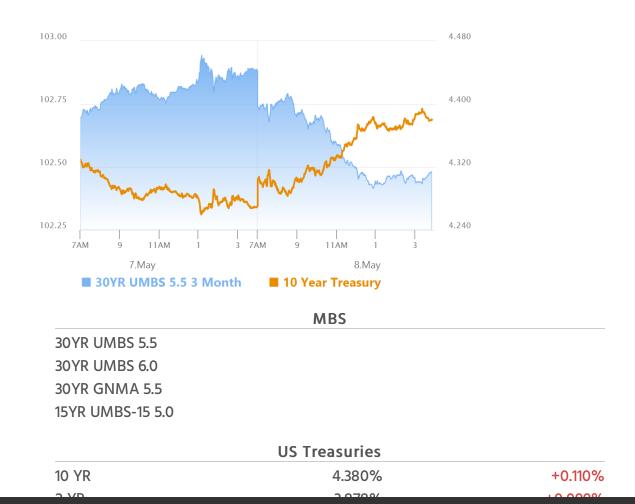
Lock / Float Considerations

While the average mortgage lender isn't any worse off than they were earlier this week, the pace of Thursday's movement reintroduces the volatility risk surrounding trade-related headlines. From an econ data standpoint, Tuesday's CPI remains the focus, but random volatility risk is now substantially higher with US/China talks taking place over the weekend.

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**





2 YR	3.878%	+0.099%
30 YR	4.833%	+0.056%
5 YR	3.988%	+0.122%

Open Dashboard

Share This