

# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

## MBS Recap: Flat Friday, But Volatility Risks Remain



**Ray Evans**

Loan Officer, Element  
Home Loans

[www.Elementhl.net](http://www.Elementhl.net)

**P:** (470) 481-3947

**M:** (770) 309-2155

[rayevans@elementhl.com](mailto:rayevans@elementhl.com)

326 Lake Forest Drive  
Newnan GA 30265  
218350



## Flat Friday, But Volatility Risks Remain

MBS Recap | Matthew Graham | 5:07 PM

Bonds started weaker, flipped stronger mid-day, and then slowly moved back to unchanged levels by the close. Most of the day's volatility surrounded comments from a Swiss finance minister on this weekend's US/China trade talks (in Switzerland). The movement was very small in the bigger picture, possibly reflecting the very low odds for any sort of trade resolution like yesterday's UK/US deal. Still, over the weekend headlines may provide hints as to where the discussions are headed, and that could be worth some volatility as the coming week begins. A day later, CPI will provide the first big-picture assessment of April's inflation (still exceptionally early when it comes to potential tariff-related impacts, but not too early to see some impact).





Watch the Video

## MBS Morning

11:04 AM Lots of Fed Speakers, But The Focus is on China

## Update

3:14 PM Heads Up: Down an Eighth of a Point From Highs

4:50 PM

## Market Movement Recap

- 09:59 AM Modestly weaker overnight, but moving back into positive territory now. MBS up 1 tick (.03) and 10yr up 1.8bps at 4.359
- 01:14 PM Mostly flat all morning. MBS up 1 tick (.03) and 10yr down 1.2bps at 4.365
- 04:49 PM Heading out near weakest levels with MBS down 1 tick (.03) and 10yr yields up 0.7bps at 4.384

## 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")
  - o 4.64
  - o 4.48

Floor/Resistance

- - 3.99
  - 4.05
  - 4.12
  - 4.19
  - 4.34
  - 4.40

MBS & Treasury Markets

| MBS              |        |         |
|------------------|--------|---------|
| 30YR UMBS 5.5    |        |         |
| 30YR UMBS 6.0    |        |         |
| 30YR GNMA 5.5    |        | +       |
| 15YR UMBS-15 5.0 |        |         |
| US Treasuries    |        |         |
| 10 YR            | 4.383% | +0.006% |
| 2 YR             | 3.897% | +0.023% |
| 30 YR            | 4.838% | +0.006% |
| 5 YR             | 4.009% | +0.023% |

Open Dashboard

Share This