MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Flat Friday, But Volatility Risks Remain



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



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).

			na series series and s				
			MMBSLIVE		M	100.5 • MIINGS • 🔝 0	
THE PAR	CING .	0.0	REAL THE CHART BRANK	00	HEAL THE CHART (K)		MES LIVE OWN
15.18			3178 FIGHA 4.8 *	100 000	10 New Teasury *		CONTRACT OF THE
	Prop	No-Denne A Triane Late		INI- MACONT-	1.8270 (-0.0010)	CONCOLUCIAL CONCOL	Giter Chat Play
Red 10 Yes	- Com		June Card MA THE THE THE THE TYPE THE		Incompany of the life	The second real real	The bar Dariely of the sec
					And the second second second	Come and Come Come	They still closed much lower
							Anda Paula, dr. r. r. r.
40 C						18 Fear Treasury	The state bank it is an
New 10 Years of the Party State			100	10.11		Cone 1,700	Ave. Reter bank i to an
18	10.01		1 I III I I I I I I I I I I I I I I I I	A		Ban 1741	Anty Parts, All & Mark
	101.44 -0.00					Lew 117050	2 Taxes shores playing a rule for
				COLORED THE REAL PROPERTY OF		Que 1200	tictus Durak, 120 pm
Res Do To							Charlesberr Einenen + 17 -
	NO 36 10 10						ar way does to 1.82
				A INC.		ALC: N	Christopher Merener, 117 a
			10				The ball ball balls in the ball balls at 1.82 for
				· · ·			Butthew Graham) 1-11 pr
den .		Yest	A.64	Our Con		State of the state	The sectored had a t

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



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)

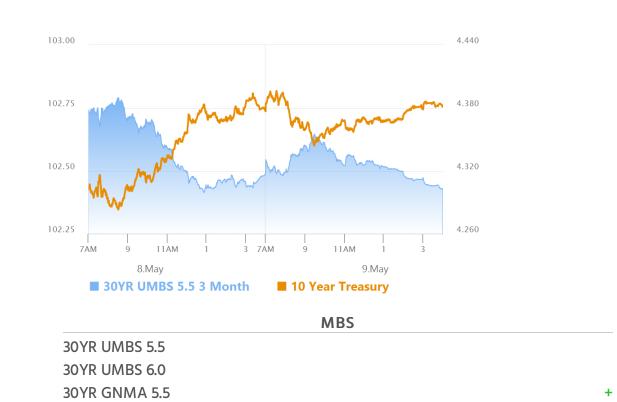
- Ceiling/Support (can be used as "lock triggers")
 - **4.64**
 - **4.48**

Floor/Resistance

0	3.99
0	4.05
0	4.12
0	4.19
0	4.34

_

• **4.40**



MBS & Treasury Markets

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

15YR UMBS-15 5.0