

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

The Day Ahead: Stock Gains Creating Bond Pain After Flat Response to CPI

Heading into the session, we knew there was a high bar for CPI to have a positive influence on bonds with the future tariff landscape reducing the relevance of current price data, but the results were close enough to consensus that we might not have seen a big reaction anyway. Core CPI rose to 0.237 month over month, versus a 0.3 forecast. Annually, it was 2.8 vs 2.8 and unchanged from last month. Volume spiked modestly and bonds rallied for a few seconds before returning to flat levels. The meaningful movement has taken place after the 9:30am NYSE open with a classic **risk-on** trade. Friendly tariff headlines from China added to the case just after 10am.



Nickolas Inhelder

Mortgage Broker, Aslan
Home Lending Corp

www.AslanHLC.com

P: (720) 446-8778

M: (858) 229-9533

nick@inhelderinvestments.com

1777 S. Harrison St.

Denver CO 80210

2037157 - CO, FL

