# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

# MBS Recap: Bonds End Almost Perfectly Flat



## Matt Jolivette

Owner/Broker, Associated Mortgage Brokers

www.nwmortgagebroker.com P: (503) 221-0064 M: (503) 545-8843

13535 SW 72nd Avenue Portland OR 97223 90661

### **Bonds End Almost Perfectly Flat**

MBS Recap Matthew Graham | 5:05 PM

There are two kinds of rate/bond watchers today: those who tuned in late in the day to see bonds almost perfectly unchanged and those who were tuned in through the mild volatility this morning. The former group would simply shrug and go back to whatever it was they were doing while the latter might be frustrated to see bonds losing ground on a morning where inflation came in lower than expected. For the frustrated crowd, this was the plan for today--the asymmetric risk discussed yesterday. A decent result was never likely to help bonds. The subsequent weakness was driven by other factors, not CPI (risk-on trading and a series of tariff headlines from China). Even then, unchanged is unchanged.

	MMBSLIVE	🖬 * 100.0 * 100.3 * 1011063 * 🔲 0.000	
ter rices e o	TREAL THE CHART MANE	D REAL TIME CHURT (KD)	MES LIVE OWN
non tributti .	106.75 (0.00)	. 19 That Theoremy * 100 1000 1000 1000 1.8279 (-0.0010) 1000 1000 1000 0000 00000	
Har (4 Year      Fee      Fee        3.8      Mill Mill (4 C)      Mill (4 C)        3.5      Mill Mill (4 C)      Mill (4 C)        4.5      Mill (4 C)      Mill (4 C)        4.6      Mill (4 C)      Mill (4 C)        Mar (6 Name)      Mill (4 C)      Mill (4 C)	Sent Carl M State State State State State	A Hardware	Victor Dariel, 1 and  Toy all divided much lower 1  Andy Park, 2 and 3 and  Andy Park, 2 and  Toy
38 100 (8 20) 35 100 (8 40) 46 47 40 40 40 40 40 40 40 40 40 40	Mary Mary	Open 1,410	Areas State and Area years? Areas State Trans, Areas or any reservations property a value for State Transfer Contracts State Transfer Contracts
C38 NO24 -1.10 444  C38 NO24 -1.10 229  C48 NO270 -0.00 482  NO270 -0.00 482  NO270 -0.00 482  NO270 -0.00 482			Christingstein Einsteinen ist für an weig obseichte 182 Christingstein Konnensen ist für Rechtlichen Granisant, ist im gest
Plan      Year      Year        100,2100 (-0.000)      0.0100 (-0.000)      0.0100 (-0.000)        100,0100 (-0.010)      0.0100 (-0.000)      0.0100 (-0.000)        100,0000 (-0.010)      0.0000 (-0.000)      0.0000 (-0.000)	And First	TOTAL PORT AND A CO	International from the interditional field of the term of ter
102200 (1000) 1000 (1000) 2 10200 (1000) 1000 (1000) 10200 (1000) 2400 (1000) 2000 (1000) 2400 (1000) 2000 (1000) 2400 (1000)	MITTOR A STAR MITTOR AND THE MARKED Consultant ADVANCE (1997) Annual The New A STAR The Colly Lineade Rays Time Will Congo Tales ADVANCE (1997)	Del a beneral de manada el man El manada el manada e	Victor Bank III on The site pathware is need the is measured to value Care encode 30% of the bits mark
ne prime providel in performing with Themasia Boulers News In: Tota 🌒 Rais Parts 🔕	Chine & 10% CTTTTs Contrag on Financial Education	Teday 8 7 View Q	Wet Distance 100 per
MCCALINGAL 0	A REAL PROPERTY AND A REAL PROPERTY A REAL PROPERTY AND A REAL PROPERTY A REAL PROPERT	VIDEO	Techno Davids 1 (1) David is the meaningships man formers for an and and an feet for 10
ay, January 27th and 1 ar too too		VHUEU	aryone know that accurate
COL chain shows we take      4.0        COL chain shows yo with      2.2        Randollower we we (in: 0)      4.0      4.0      4.0        Decision we we (in: 0)      4.0      4.0      4.0      4.0	MISSION ALEXY 2344 More Provounced Negative Reprice Rox as MOS M Lows	2014 Dealer Dearbox Reported by 2014 an All Taxan Data Road 2014 Anna Para	And Read Lines.
Duration on advance on Day . (3) . (3) . (3)	Andle - 21274	115pm Surbot mits Arts Deaded	Real York College   1 Com

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



Watch the Video

#### Update

8:38 AM CPI Comes in Lower. Bonds Aren't Mad

Alert

10:09 AM MBS Down Just Over an Eighth From Highs

#### **MBS Morning**

10:49 AM Stock Gains Creating Bond Pain After Flat Response to CPI

Aler

2:20 PM Just a Bit Weaker and a Bit More Reprice Risk

4:41 PM

#### Econ Data / Events

- Monthly Core CPI
  0.237 vs 0.3 f'cast, 0.1 prev
  - Annual Core CPI
    - 2.8 vs 2.8 f'cast, 2.8 prev

#### **Market Movement Recap**

- 08:48 AM MBS up about an eighth and 10yr down 2.4bps at 4.446
- 09:58 AM Losing ground in the NYSE session. 10yr up 0.4bps at 4.474. MBS back to unchanged.
- 12:09 PM New lows. MBS down 3 ticks (.09) and 10yr up 2.4bps at 4.492
- 04:49 PM Decent late bounce. 10yr roughly unchanged at 4.47. MBS down 1 tick (.03)

### Lock / Float Considerations

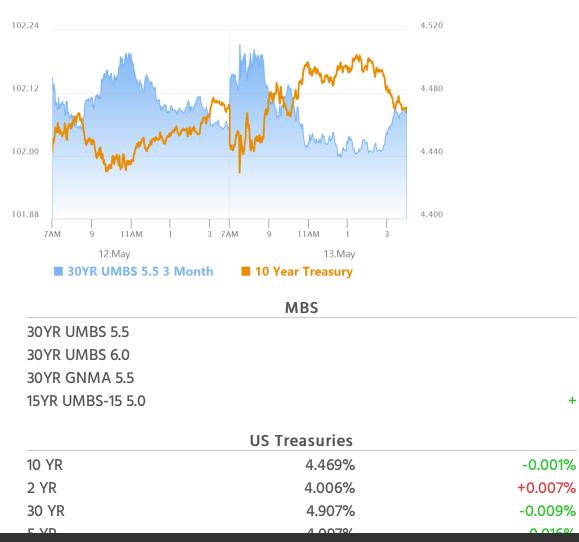
Bonds/rates find themselves in the unpleasant position of not knowing where their next big impetus for

improvement will come from. While it's true that rates can fall despite an obvious catalyst, this is nonetheless not a float-friendly environment. The only foreseeable exceptions would be for seriously weak economic data and another big dip in stocks.

### Technicals/Trends in 10yr (why 10yr)

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

Open Dashboard

Share This