# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

# MBS Recap: Slightly Stronger Because Not Every Day Can be Weaker



John "Demo" Lender VP of Lending, Demo Mortgage Co.

mbslive.net P: (704) 555-1212 M: (407) 555-1234

10014 Normal Blvd. Charlotte NC 28044 NMLS: 123456



# Slightly Stronger Because Not Every Day Can be Weaker

MBS Recap Matthew Graham | 4:36 PM

Bond yields have moved almost exclusively higher in May. At the very least, they've been in an incredibly linear uptrend. Uptrends wouldn't last very long if there wasn't some push and pull (think 2 steps forward, 1 step back). And that brings us to the best case for today's gains: sellers are taking a breath. Not every day can be a sell-off. To be sure, the gains weren't inspired by data or any new fiscal developments. We can attempt to force the mid-day pop to fit a fiscal narrative based on a comment on the Senate's time frame for a vote, but we could just as easily say it was position-squaring ahead of a holiday weekend with traders leaving at lunch time today and not coming back until the middle of next week.

			- Charles and the second second			
			MMBSLIVE	Inter-	100.5 • NIINGS • 📗 G.D	
100,000	-	0.0	HEAL THE CHART MAN	0 0 REAL THE CHART (0)		MES LIVE OWN
1.18			3010 FINAL 4.8 * PRO- 1993 - 199		AND AND LOS NO.	COLUMN STATE
	-	No-Charge		BARCTONNET 1.8270 (-0.0010)	Carlo Carlo Carlo Carlo	GRIP Dut They
Not 10 Year			June Days Mr. Ball Stat Sol Sol 1991 1991	Dans Dans M DECEMPT	NUMBER OF TAXABLE PARTY.	They will choose a survey of the second seco
38 .	100 14 101		the second second second second second	Linite.	THE NUME ( FOR ( DW.)	Read Party Party States
						And Parts A. C. C. C.
					18 Year Descare	
New 30 Team				1414	1000/05 12 30PM	An a state bare of the play?
		1994			Open 12410 Mark 12911	And And Park, AU LINCO
	10144-010				100012/000	21. Taxet shorts playing a rule to
					Over 1 2010	Partie Derek 1
The Star Processor Real						
						Christopher Erresen + 17 -
			T TUT		Cars I	Christianer Versenni 117
					1000	The line has here below 1.82 for
			the first damage which and the			Butthew Grahami and per
attes .			Also Film			item for mentioned had a t
	100,2109 2-0 00003		No. of Concession, Name		F.m.	Mathew Graham + 1 an
			LINE NOWS STREAM			10 hi a be arts toppe be
			ALL DESCRIPTION AND ADDRESS OF ADDRESS OF ADDRESS ADDR	+ Proper Street		
				Del a lander and move	a market?	an here appel must be it
			Mill Decar David Markets Consolities Allowing	March Teacher State		The law bareau in an

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



Watch the Video

#### **MBS Morning**

10:06 AM Conspicuous Absence of Volatility After Data and Spending Bill Vote

3:38 PM

Econ Data / Events

- • Jobless Claims
  - 227k vs 230k f'cast, 229k prev
  - Continued Claims
    - 1903k vs 1890k f'cast, 1867k prev
  - S&P Services PMI
    - 52.3 vs 50.8 f'cast, 50.8 prev
  - S&P Manufacturing PMI
    - 52.3 vs 50.1 f'cast, 50.2 prev

#### Market Movement Recap

- 09:25 AM modestly weaker after spending bill passage, but back to unchanged in MBS now. 10yr down 1.3bps at 4.588
- 12:19 PM Nice rebound, perhaps on news that spending bill could take all summer. MBS up 6 ticks (.19) and 10yr down 6bps at 4.542
- 04:27 PM Heading out near best levels with 10yr down 6.3bps at 4.538 and MBS up nearly a quarter point.

### 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

weak economic data or a miraculous improvement in the debt issuance outlook.

## 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**

## **MBS & Treasury Markets**



MBS

MIB0					
	+				
	+				
30YR GNMA 5.5					
15YR UMBS-15 5.0					
US Treasuries					
4.530%	-0.070%				
3.989%	-0.033%				
5.042%	-0.046%				
4.091%	-0.079%				
	3.989% 5.042%				

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

**Open Dashboard** 

Share This