

# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

## The Day Ahead: Hesitation Ahead of Treasury Auction and Month-End

After starting the holiday-shortened week on a positive note yesterday, bonds are already circling the wagons and encountering some resistance. This doesn't necessarily kill the notion of a supportive ceiling overhead, but it does confirm the broader, persistent reality: bonds will need a compelling reason for sustained improvement. This could take the form of exceptional weakness in economic data, surprisingly tame inflation, or the seemingly impossible accomplishment of lowering Treasury issuance via fiscal policy. As for today, bonds are moving to the sidelines ahead of the 5yr Treasury auction. There also looks to be some front-running of month-end rebalancing with risk parity trading hitting both stocks and bonds at 9:30am.



**Steven Fishman**

President, Buckeye Lending Solutions, Inc.

[Buckeyelends.com](http://Buckeyelends.com)

**P:** (239) 980-7588

**M:** (440) 773-9941

9990 Coconut Rd # 257  
Bonita Springs Ohio / Florida  
34135

Company NMLS#1838265 LO  
NMLS#9362 OH LO.012547.001

