## MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

# MBS Recap: Bonds Hold Morning Gains; No Reaction to Tariff Headlines



JD Dindinger Vice President | Broker, Neighborhood Mortgage Group

www.JDapproves.com P: (503) 409-3933 JD@CopperRidgeFinancial.com

3340 Commercial Street SE Salem OR 97302 NMLS # 397740 Website: APPLY NOW



### Bonds Hold Morning Gains; No Reaction to Tariff Headlines

MBS Recap Matthew Graham | 4:45 PM

To be clear, markets reacted to tariff headlines yesterday evening when the news was that a court decision would block certain tariffs. But even before today's most relevant tariff headlines, markets had correctly sniffed out the outcome. In short, tariffs are back in effect pending further review by the court and even then, traders expect the administration to find ways around any attempted block. Bottom line, there was no reaction to today's headlines by the time they came out because markets traded the likelihood overnight. Tepid econ data and a well-received 7yr Treasury auction added mildly to the gains.

			MMBSUN	VE	101 -				an an	
ME 1180	786)	0.0	NEAL THE CHART MAN	0.0	REAL THE OW	NAT (KD)				MES LIVE OWN
			3010 FINALA #		10 Year Trees	wy 👻		PER LINE	-	COLUMN OF MAL
	Pro-	Ny-Dame		CHARTOTTONS + DEACTONNET +	1.8270 (-				CHART OF THE R	
ter 18 Year			June Dark Mr. Stat Stat Stat Ma	CONST. INST	Income Chart 1	Nor Your 1	-	1962		The bar Dariely of the second second second to be a second
		104								Andy Parls, dog 1, 2 yrs
	10108-0101				-					And Party Party Party Party
						1		18 Fear Treat		Contra Davide Linua
ke 30 Taw			10.15	104.04		10 C	- Charler	Date: 1,182		Ar
		394	E 1 40	•	100		Y	High: 1.7420		And Rule And Rule Act of Mark
	100.00-00.00		Infilment U	TAL DOLL	18 11			Low 11,7958	A	21 Face stocks playing a role for
			1 II 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1					Ocean 1 784	·	an torn, apple beat of ears
Res Do Tes									_	
				- 10000		_		1.0	10 C	Christopher Einenne + 17 -
			T TUT			_		The second		Christian Sevena 117-2
										The line has here below 1.82 for
				1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1						Mathew Grahami + H pre
tes .				2 Aug						Item for mentioned that a la fiber weblin.
	100,2108 218,80803								all days	Wathew Graham +
			LIVE NOWS STREAM							107 hi a Be arts legge Bat
			COLUMN AND ADDRESS AND	a draw Greet	(SSCKROP	100			0.0	THE General Destants Littles

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



Watch the Video

#### Update

8:35 AM Small Boost From Claims and GDP Revisions

**MBS Morning** 

10:56 AM Overnight Trading Makes No Guarantees

4:03 PM

#### Econ Data / Events

- • Jobless Claims
  - 240k vs 230k f'cast, 226k prev
  - GDP revision (q1)
    - -0.2 vs -0.3 f'cast
  - Corporate Profits
    - -3.6 vs 5.9 f'cast
  - Final Sales
    - -2.9 vs -2.5 f'cast
  - Consumer Spending
    - 1.2 vs 1.8 f'cast

#### **Market Movement Recap**

- 08:36 AM Slightly stronger after data. MBS are up 1 tick (.03) and 10yr yields are down just under 1 bp at 4.469.
- 12:31 PM flat at stronger levels ahead of auction. MBS up 7 ticks (.22) and 10yr down almost 5bps at 4.43
- 04:14 PM Drifting out sideways near strongest levels. MBS up 6 ticks (.16) and 10yr down 4.8bps at 4.432

#### Lock / Float Considerations

Rates have managed to find support at recent high yields after spending most of May moving decisively higher. Prevailing momentum is sideways in a fairly narrow range in the bigger picture. Month-end trading can cause random volatility on Friday. It continues to be the case that a truly worthwhile rate rally will require sharply weaker economic data, a consistent failure of tariff-driven inflation to materialize, and/or a legitimate reason to expect lower Treasury issuance.

#### 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**

MD5					
30YR UMBS 5.5	+				
30YR UMBS 6.0	+				
30YR GNMA 5.5	+				
15YR UMBS-15 5.0	+				

US Treasuries					
10 YR	4.423%	-0.056%			
2 YR	3.938%	-0.055%			
30 YR	4.923%	-0.055%			
5 YR	3.998%	-0.068%			
5 YR	3.998%				

**Open Dashboard** 

Share This