# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

# MBS Recap: JOLTS Data Didn't Help, But it Didn't Hurt Much Either



element

#REVIEWSMATTER

### Brad Roche The Mortgage Planner, Element Home Loans

www.TheMortgagePlanner.com P: (704) 728-0191 M: (704) 929-7718

400 North Harbor Place Davidson NC 28036 135191





# JOLTS Data Didn't Help, But it Didn't Hurt Much Either

MBS Recap Matthew Graham | 4:43 PM

Bonds were moderately stronger overnight and then weaker after the 10am JOLTS data. The data itself was mixed with Job Openings higher (bad for rates) and job quits lower (good for rates). The headline took precedence and pushed yields back into higher territory on the day. Selling ebbed in the PM hours and MBS ultimately made it back to positive territory. Headlines regarding the Senate taking up the budget bill are ramping up, but with no discernible impact on the bond market so far. Bottom line, a roughly unchanged close in bonds requires very little explanation. On to the next data with ISM Services on Wednesday!

			MABSLIVE		10 ·		100.1 • NTING • 🔝 GLOW ST			
INC PROPERTY	6	0.0	HEAL THE CHART MANE		REAL TIME CHIN	RT (#0)				MES LIVE OWN
			STREET, BARRAR W	Main Series Line more 104,75 104,77 104,75 104,88	10 Year Treasur	w •		tran the rel		COLOR OF MAR
	Pro	Ny-Change B TOAM LST -	106.75 (0.00)	CIVILI OFTICAL + DESCLOSULT +	1.8270 (-0				NAT OFFICIAL SU	Gran Chat Plant
Not 10 Year / Fait		June Charl 24 THE THE THE THE THE TYPE THE			Doors Days Mr. THE THE THE NEW THE THE				They all Daried Hugh Lower	
					and the second s					
										Real Parts (P. C. P
	10675-680							18 Feat Second		Constant Dank at the
• 30 Team -			1.1.1	104.04			A.+	1010/1010.00	*	Table and the did they play?
		10441	11 485	•	100		Y	Open: 1,7434		Anto Parts, All Column
	100.44 -0.00		A CONTRACTOR OF A CONTRACTOR OFTA CONTRACTOR O	THE REAL PROPERTY.				High: 1.7423	10	The state state playing a role i
			- U - B - O - O			1.1		State 17810	1.0	The Darber Darber 1
ter bit Tawa									20	an figure, apple bead of ea
						_		1.00	e1	Christopher Einenne + 17
	NOADE -LTN							1400.0		Constanting Street of Street



Watch the Video

### **MBS Morning**

10:35 AM Fed and Data Temper Overnight Rally

#### Alert

10:40 AM Down Over an Eighth From AM Highs

#### Alert

12:59 PM Negative Reprice Risk Increasing

# Econ Data / Events

- Job Openings
  7.391m vs 7.1m f'cast, 7.2 prev
  - Job Quits (lower is better for rates)
    - 3.194m vs 3.332m prev

# Market Movement Recap

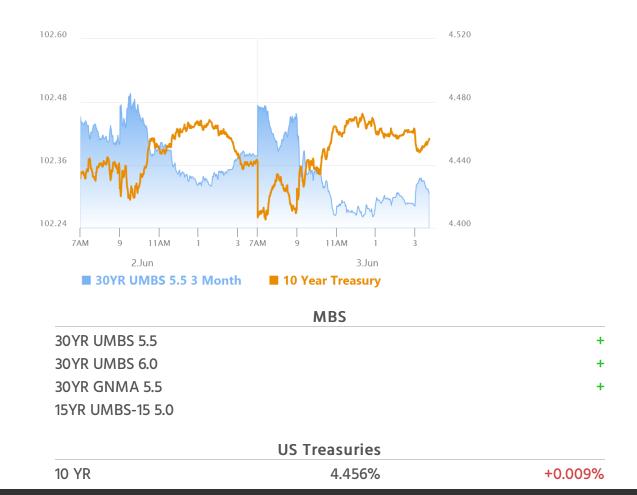
- 09:57 AM Slightly stronger overnight. MBS up 2 ticks (.06) and 10yr down 3.7bps at 4.409 ahead of JOLTS data.
- 10:44 AM Weaker after data. MBS unchanged and 10yr up half a bp at 4.441
- 12:59 PM 10yr yields are up 2.4bps at 4.47 and MBS down nearly an eighth on the day.
- 04:26 PM Decent recovery. MBS up 2 ticks (.06) and 10yr close to unchanged at 4.451

# 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. 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**

2 YR	3.955%	+0.015%
30 YR	4.982%	+0.016%
5 YR	4.025%	+0.021%

Open Dashboard

Share This