MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Dot Plot in Focus With Fed's "No Cut" Announcement



Deanna Adinolfo-Rivera Community Lending Powered by Lower, LLC.

NMLS# 1124061 M: (239) 878-0107 deanna@communitylendingfl.com

8191 College Pkwy Suite 203 Fort Myers, FI FL 33919 NMLS #327112



Dot Plot in Focus With Fed's "No Cut" Announcement

MBS Recap Matthew Graham | 4:31 PM

Bonds lost some ground after this morning's economic data, arguably in response to the Retail Sales control group beating its forecast. Higher-than-expected import prices could also have played a supporting role, but the selling was too modest to worry about perfectly allocating the blame. It was also erased by an afternoon rally that was best explained by general risk-off vibes surrounding geopolitical headlines. Here too, we're not seeing anything too compelling in terms of trading justification. The best bet on that front would be Wednesday's dot plot from the Fed (the chart showing each Fed member's rate outlook over the next few years). That will be released at 2pm with the "no cut" announcement.

			MMBSLIVE	🔟 * 100.0 * 100.3 * 100.5 * 🛄 0.0	
100.000	CHIG	0.0	REAL THE CHART MAN	0 0. REALTINE COURT (40)	MES LIVE OWN
15.18					COROL Office
	Pro-	No. Common	106.75 (0.00) Cevel provide and		Gen Outries
the States	- 1 m		Just Carl M THE THE THE THE THE THE	Josep Court M THE THE THE THE THE THE THE	They all chosed much inner
				THE PARTY CALL AND THE THE THE THE THE THE THE THE THE	
					And Parks, dr. 1.1 and
				18 feet freezer	
fee 30 Tee				Hand Come LANS	Ar and the function of the prop?
		1986		A CONTRACT OF A	Anty Parts, All Colors
	105.44 -0.00			LINE A LANCE	21 rand starting playing a rain b
				Con Line J	P Contraction of the Contraction
Red DO TO					
					Charlestanter Elevenesi + 17
				MAN MAN	Christianer Verenni 117
					The line has been being that has
			from the charge in the start of	- 14.0 ()	Rothers Graham, 114 pm
ries .			Contraction of the	a de la anciencia de ser	i Bon he mentaned hat a Nyr yelds
	100,2108 (14,0000)	ESTRE COMPANY	and the second se	A PAR	The station framework and an

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



Watch the Video

Update

8:34 AM Retail Sales Mixed; Import Prices Lower

Update

8:42 AM CORRECTION: Import Prices Flat (Not Lower)

MBS Morning

10:53 AM Econ Data Not Weak Enough to Help

3:56 PM

Econ Data / Events

- • Retail Sales
 - -0.3 vs 0.1 f'cast, 0.0 prev
 - Core Retail Sales
 - 0.4 vs 0.3 f'cast, -0.1 prev
 - Export Prices
 - -0.9 vs -0.7 f'cast, 0.1 prev
 - Import Prices
 - 0.0 vs -0.2 f'cast, 0.1 prev

Market Movement Recap

- 09:09 AM Stronger overnight, flat after data, and losing some ground now. MBS still an eighth higher on the day and 10yr down 3.5bps at 4.417
- 01:53 PM Best levels of the day now on Middle East newswires. MBS up 5 ticks (.16) and 10yr down 6.5bps at 4.386

Lock / Float Considerations

Bonds have done what they need to do in order to maintain the prevailing range. This reinforces just how challenging it will be for data to justify a meaningful rate rally (and that it will likely need to be employment data rather than persistently tame inflation). Bond weakness on Friday and Monday make for a more neutral approach to this week's big ticket events, but those events are nonetheless capable of prompting a reaction in either direction.

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

15YR UMBS-15 5.0

	US Treasuries			
10 YR	4.389%	-0.062%		
2 YR	3.947%	-0.028%		
30 YR	4.894%	-0.082%		
5 YR	3.985%	-0.055%		

Open Dashboard

Share This