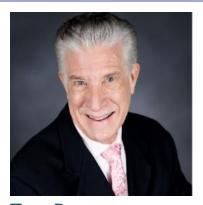
MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Steady Gains in the PM Hours



Tom Payne Senior Loan Consultant, CMG Home Loans www.cmghomeloans.com/.../tompayne Pr (702) 650, 7629

P: (702) 650-7639 M: (702) 303-0243 tompaynemortgage@gmail.com

2580 St. Rose Parkway Henderson NV 89074 1017004 1820

Steady Gains in the PM Hours

MBS Recap Matthew Graham | 4:44 PM

It's common to see the effects of month/quarter-end trading most prominently in the PM hours and today's quarter-end session was no exception. A glut of bond buying just after 12:30pm got the party started and yields bottomed out just before the 4pm NYSE close. While 4pm is a time that's associated with stocks, it has come to be the larger of the two closing bells for the bond market on month/quarter-end days for a variety of reasons (de-emphasis of CME pit over the years, increased prevalence of ETF trading, large portfolio rebalancing that involves both stock/bond ETFs, thus arguing for one unified closing mark time). From here, econ data should take the wheel although it's always possible to see some new-month positions have an impact on the first day of a new month.

			MMBSLIVE	10.0 × 10.0 ×		ana stata •
10.00	28 5	0.0	REAL THE CHART MANS	0 0 REAL THE CHART (R)		MES LIVE OWAT
					PROV 07010 1.040 1400	COLOR OF A
	Pro	Ny Change	106.75 (0.00) Contract - 10		table table there ta	Disr Outree
-			June Days (24 This first that the first that			They still chosed much lower 1
	NO MONTH		Constitutes and the state and the state	Date Chart IN THE THE	The sector that that	
	10108-0010	1948				Andy Parks, Mr. 1.1 and
	10675-630				18 Year Diversity	and the second second second
• 30 Tes				104.00	10001512.305	Area and and the best start
	HER COL		Liffer		Open: 1,7830 Back 1,7831	AND AND THE ACCOUNT
	101.441-0.00				Low 17930	27. Take stadts playing a rule for
					Over 1204	The State State of State
the DE TR						an haven, sopie bead at sam
						Christopher Environ + + + +
			T TUT		Care /	Christian Serverse, 117 pr
					Contraction of the second	The balled below 1.87 for
			the state of the s			Rettere Grohami niti pro
ien i			Also Film		1 1 14 14 14	The sectored had a la
	100,2109 (14,0000)		the second se			P. Ann
			LIVE NEWS STREAM			107 hi is the only logge that
			ALL DESCRIPTION AND ADDRESS OF ADDRESS	Instant (DEREPORT OF		O O Clast Denard Life
			MILLIN LAUNA	Del a la hand a constant	earrighted	are here appel each to be
			With Recipe Dand Warkets Consolidate Although (201		A DESCRIPTION OF THE OWNER OWNER OF THE OWNER OWNER OF THE OWNER OWNE	The site of the set of the set of the set
		24040 000000	Anneal Tax and in 1 City	Taxan Provinces		is measured by value Carrier

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



Watch the Video

MBS Morning

10:14 AM Slow, Sideways Start, But Month-End Volatility Always a Possibility

3:41 PM

Econ Data / Events

- • Chicago PMI
 - 40.4 vs 43.0 f'cast, 40.5 prev

Market Movement Recap

- 09:12 AM Modestly stronger overnight with gains at the start of EU trading. MBS up 2 ticks (.06) and 10yr down 1.7bps at 4.264
- 11:49 AM Very calm still. MBS up 1 tick (.03) and 10yr down 1.8bps at 4.263
- 01:28 PM Month-end buying picking up a bit. 10yr down 4.8bps at 4.234. MBS up an eighth.
- 04:33 PM Strong month-end move into the close. MBS up almost a quarter point and 10yr down 4.8bps at 4.233

Lock / Float Considerations

Bonds have shifted from range-bound to trending lower in yield this week. Data is only partly able to explain the shift. The rest requires things like friendlier Fed comments and even regulatory changes that allow banks to hold more Treasuries. Either way, weaker data (and the expectation of more to come) is likely part of the equation. That will be very important in the coming days and especially with the jobs report on Thursday. Next week's CPI is critically important as well.

Technicals/Trends in 10yr (why 10yr)

- Ceiling/Support (can be used as "lock triggers")
 - **4.64**
 - **4.48**
- Floor/Resistance
 - o 3.99
 - · 4.05
 - ° 4.12
 - **4.19**
 - **4.34**
 - **4.40**



MBS & Treasury Markets

MBS

	IN D 3	
30YR UMBS 5.5		+
30YR UMBS 6.0		+
30YR GNMA 5.5		+
15YR UMBS-15 5.0	+	
	US Treasuries	
10 YR	4.231%	-0.050%
2 YR	3.727%	-0.023%
30 YR	4.779%	-0.052%
5 YR	3.801%	-0.034%

Open Dashboard

Share This