Daily Coverage. Industry Leading Perspective.

MBS Recap: Fed Speakers and Auction Help Bonds Hold Steady



Robert Cloud Mortgage Broker, Cloud Financial Group LLC

www.bobbycloud.com P: 5126272487 M: 5126272487

8007 Davis Mountain Pass Austin TX 78726-____ 247321

Fed Speakers and Auction Help Bonds Hold Steady

MBS Recap Matthew Graham | 5:06 PM

Bonds technically lost a small amount of ground today, but it's just as fair to say that they're holding steady on the week. In fact, closing yields today were right in line with last Thursday's closing levels. This might not have been the case if not for today's Fed speakers--several of whom reiterated dovish messages about being able to cut sooner rather than later. Other comments reiterated the notion that tariff-driven inflation should start to show up in next week's data (further increasing the stakes for CPI). The Treasury auction wasn't especially strong, but we occasionally see bonds improve simply because the auction cycle is over for any given week. While this isn't a big move, one could argue that it also helped the afternoon mini-rally.

n An an			
	MABSLIVE	🔳 * 100.0 * 100.0 * MILLON 🔛 GLON	
Tell Paces 0.0	NEAL THE CHART MANE	0 (REAL TIME COURT (AD)	MUS LIVE OWAT
1.18	STOR FISHA & B	to hear Departury W . And a decision when	CONTRACT OF TAXA
Page Alfaberge	106.75 (0.00) tot.7 tot.7 tot.8 tot.9 tot.	1,8270 (-0.0010) Line Line Line Line Line Line Line Line	
Not 10 Year' / Feet	June Care 24 THE THE THE WAR THE THE	Annual Court of The Thir Star Star Thir Star	The for Darrow and the set
NO NO NO NO			And Parks And Com
3.5 105.08 -1.61 408			All Age of
KB 10675-630 830		A day Market Market Market	Contractor Danke Course
38 38.00 (10) (10)	111	Over 1/00	Av
11. 10.44 -1.00 400	Life and the second sec	Par 1941	R Andy Parks, Acre Mark
48 99728-010 -010			The Darbor Darbor, 1 17 and
Read of Taxas and the second second		Concerne P	an Apare, apple boat or ear
			Christopher Environ + 17
55 No.28 -175 119		No. 1	Christianer Verenni 417
140 10679-000 400			The he had been the ball
	The state of the s		Rathers Graham (1 H pr.
alles Pros Yest	Also March	a star i was to the star	I them for mentioned that at titler webb.
100,2109 (-0.000) 0.0110 (-0.000)	the second design of the secon	1. 1. 1. 1. 1.	Matthew Crothers
	UMENCHS STREAM		💐 102 til is Be anty logge Ba
	Aller And and place have a family of her	and DERIFFORD PROCE 00	Colori Denizedi 1 10 pe
	Martine Land	Del a tender par soure a reprisa? Beauffreder	This Dank, 112 or
0 100.000 (0.000) 1.000 (0.000)	With Recipi David Markets Canadidate Aliver (MCDAC	Reprint and the second	The site and has to meet the
110 6875 (10 010) 2 4010 (10 000)	Answer The Price of Lifes	Pagette B (million)	is measured by value Game
ne print preside a performing with Thomasa Review	The COT's Denotes Days Tens. Will Carge Talls (The control of COT)	tele Real	The second lock of the lock man
nes ar fata 🛊 fans funts 🏚	OTTES Centres on Financial Education	Today 8 7 View Q	The first is to careful about a created about a created from the careful about the c
MCCREMONE 0			The for Databal States
iny, January 27th and the feet	A Description of the second seco		The bran McFarlane 1 of pro- anyone bran man acrospe
all for these sectors are set as a set of the sector of th			

 $\ensuremath{\mathbb C}$ MBS Live, LLC. All rights reserved. This newsletter is a service of MBS Live.



Watch the Video

Update

8:38 AM Very Modest Selling After Lower Jobless Claims

MBS Morning

11:33 AM Week's Only Relevant Data is Not Bond-Friendly

4:56 PM

Econ Data / Events

- Jobless Claims
 227k vs 235k f'cast, 232k prev
 - Continued Claims
 - 1965k vs 1980k f'cast, 1955k prev

Market Movement Recap

- 08:39 AM MBS are down an eighth and 10yr yields are up 1bp at 4.345.
- 01:03 PM Pretty boring 30yr bond auction. Sideways at weaker levels with MBS down 6 ticks (.19) and 10yr up 2.9bps at 4.365
- 02:30 PM Decent little bounce after Waller comments. MBS down just over an eighth and 10yr up less than 1bp at 4.344
- 05:05 PM Modestly weaker at the close, but broadly sideways on the week. MBS down 5 ticks (.16) and 10yr up 1.1bps at 4.347

Lock / Float Considerations

Tuesday's half-hearted weakness proved to be a clue about bond buyers waiting to jump back in the market after the past week of weakness. Anything that was remotely foreseeable has now run its course as we wait to see how narrow the likely-sideways range will be between now and next week's CPI data. i.e. risk and reward are more balanced now and the risk tolerant crowd can use Tuesday's

weakest levels as a stop-loss in the short term.

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



MBS

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

US Treasuries				
10 YR	4.346%	+0.010%		
2 YR	3.876%	+0.036%		
30 YR	4.870%	+0.001%		
5 YR	3.935%	+0.035%		

Open Dashboard

Share This