MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Bonds Bracing For CPI Impact



Nickolas Inhelder Mortgage Broker, In Clear To Close - InCTC LLC

www.AslanHLC.com P: (720) 446-8778 M: (858) 229-9533 nick@incleartoclose.com

1777 S. Harrison St. Denver CO 80210 2037157 - CO, FL 2656899 - AL, CO, FL, SD



Bonds Bracing For CPI Impact

MBS Recap Matthew Graham | 5:09 PM

Stocks sold off quickly in the overnight session in response to the announcement of 35% tariffs on Canada. Bonds view such news as a double edged sword, but also drifted into weaker and weaker territory as the day progressed. Given that yields remained inside the week's range, we're more inclined to view this as an acceptable sideways drift ahead of big ticket data event: Tuesday's CPI report. It goes without saying that some of the market will have to be surprised by the outcome which either will or will not show that tariffs have begun impacted the data in a significant way. The farther from forecast, the larger the surprise and the potential bond market reaction. In that light, Friday's weakness could be viewed as a move to the sidelines ahead of the forthcoming revelations.

				alan salah sa					
			MMBS	LIVE	10 ·			an ser	
THE PIECHS 0.0		HEAL THE CHART MANE	•	REAL THE CHART HO				MES LIVE OWN	
12.18			DEPERTONNAL ST		10 Year Treasury *				10220 011et
	Prof	ATOMICST .	106.75 (0.00)	DATE DRUT DRUT DATE AND A	1.8270 (-0.0010			anne Inner orthoni e - se	GRIF CHUTTHE
Not 30 Year / Free		Just Carl M THE THE THE THE THE THE THE		Annal and an annal	Description In the first that the first that			They all doubt much inwer	
18 .					THE OWNER AND DECK		1000		
									And Parls, Sugar, 1 and
40	10675-680				III IIII		10 Feat Treasure		
the 10 Year			1.1.1	10.00		- A_+	1007051230	M	Control Danks 1 Toront
			11485			10	Open: 1,7434		And And Parks, All Links
	101041-0.00			THE REPORT OF LAND		N	Level 1.7800	100	The state states playing a rain to
	10720-1111						Own 1 7910	100	The bar Darble, 1 17 per
Real Property lies	1 P 10							Ur -	an Agura, apple boat of ear
				and the second se			1	1 C	Christopher Elevensi + 17 -
	NOAME TITLE						There a	2	Construction in 1.82

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



Watch the Video

MBS Morning

10:30 AM Overnight Selling But Still in The Range

2:00 PM

Aler	t de la constant de l
3:00 PM	Down an Eighth From Mid-AM Highs

Market Movement Recap

- 09:50 AM Steadily weaker overnight with MBS down an eighth and 10yr up 5.2bps at 4.398
- 11:55 AM Mostly sideways after early weakness. MBS down an eighth and 10yr up 6bps at 4.405
- 03:00 PM MBS are down 6-7 ticks (.19-.22) depending on the moment and 10yr yields are up 7.7bps at 4.424.

Lock / Float Considerations

While the outbound week's range ultimately proved to be "sideways," it came close to testing the weaker boundary on Friday. There's not an inherent message in that market movement apart from indecision ahead of Tuesday's CPI data. Lock/float arguments are in relatively good balance, but volatility potential will increase rapidly from here.

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

102.90 4.440 102.75 4.400 14 102.60 4.360 4.320 102.45 11AM 3 7AM 11AM 7ÅM 9 9 10.Jul 11.Jul **30YR UMBS 5.5 3 Month** 10 Year Treasury MBS **30YR UMBS 5.5 30YR UMBS 6.0 30YR GNMA 5.5** 15YR UMBS-15 5.0 **US Treasuries** 10 YR 4.416% +0.069% 2 YR 3.901% +0.024%

MBS & Treasury Markets

30 YR

5 YR

Open Dashboard

4.955%

3.977%

+0.085%

+0.042%

Share This