MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Bonds Bracing For CPI Impact



Stan Bryant Home Loan Advisor, Silver Creek Capital Group

www.silvercreekcapitalgroup.com P: (303) 656-1997 M: (303) 656-1997 stan@silvercreekcapitalgroup.com

2679 Main Street Littleton Colorado 80120 NMLS 1182738 Colorado Life and Health Insurance 18150



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.

	MMBSLIVE		🖬 * 10.0 * 100.5 * 🖬 GUNAS			GLOWN METER		
THE PIECHS	0.0	REAL THE CHART MANE	0.0	HALTHE CHART	9			MES LIVE OWN
15 VM		DEVERSIONALE *	PRO 0705 LOW HOLE 106,75 106,77 106,75 106,88	TO NOT TREASURY	 732 			COLOR OF LAN
	No Dana	106.75 (0.00)	Covert personal + _ BOARD covert +	1,8270 (-0.00	100	COM COM CHIEF CALLS		
Not 10 Year (Fair) June Coart (24 1007 1007 1007 1007 1007 1007		THE REPORT OF	Doors Over 10 THE THE THE THE THE THE THE				They all chosed much lower 1	
18 NO 18 - L I	101							
								Andy Parks, Aug. 1. 1 or
				1000		18 Feat Tree		The state basic classes
fee 10 Paser		1.1.1	10.00		A-	1000/081023		Sent and the first play?
10 10.01 10.00		11.185	•	1.0	1 8 -	Open. 1./190		And And Parks, All Links
15 10144-0.00		and the second second	THE REPORT OF LAND			High: 12%23	- AU	24. Face stocks playing a role for
48 10729-110					1	State 1,700		States Darak, 117 per
No. 10 Test June								an Agure, apple beal or ears
								Carlstopher Devenue + 17 or

© 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

Alert		
3:00 PM	Dow	vn 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
 - o 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	4.416%	+0.069%				
2 YR	3.901%	+0.024%				
30 YR	4.955%	+0.085%				
5 YR	3.977%	+0.042%				

Open Dashboard

Share This