

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

UPDATE: First Move is Stronger as Core CPI Comes in at 0.2 vs 0.3

- Core MM CPI
 - 0.228 vs 0.3 f'cast, 0.1 prev
- Core YY CPI
 - 2.9 vs 3.0 f'cast, 2.8 prev
- Headline MM CPI
 - 0.3 vs 0.3 f'cast, 0.1 prev

Although the unrounded number for monthly core CPI was just a little bit warmer than the rounded number, a beat is a beat, and bonds are reacting accordingly.

10yr yields are down 2.9bps at 4.406 and MBS are up an eighth. The details will now be digested. Specifically, core goods are up 0.7% year over year, which is a fairly clear indication of tariff impacts. But the market can look past that if other inflation is falling enough to offset.



Charles Dailey

COO, iLoan

www.charlesdailey.com

P: (612) 234-7283

M: (651) 428-6968

charles@charlesdailey.com

2107 Skyway Dr
Saint Paul MN 55119

79048

