

# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

## UPDATE: Huge, Instant Rally After Appallingly Low Payroll Count/Revision

- Average earnings mm (Jul)
  - 0.3% vs 0.3% f'cast, prev 0.2%
- Non Farm Payrolls (Jul)
  - 73K vs 110K f'cast, prev 147K (rev 14K)
- Participation Rate (Jul)
  - 62.2% vs prev 62.3%
- Unemployment rate mm (Jul)
  - 4.2% vs 4.2% f'cast, prev 4.1%

Perhaps the most notable feature of this morning's data is the HUGE negative revisions to the past 2 months. They total 258k and bring the 3 month average down to a very alarming 35k. This is obvious rate cut fodder and bonds are reacting accordingly.

10yr yields instantly down 6 bps but look at the 2yr yield.... already down 14 bps.

MBS are up 6 ticks (.19) and they'll take a bit to catch up to the Treasury move, but either way, it's a good day to be a bond.



**Russell Baboff**

VP, Mortgage Banker,  
William Raveis Mortgage,  
LLC

[www.raveis.com/.../officerprofile.asp](http://www.raveis.com/.../officerprofile.asp)

**P:** (860) 463-1745

**M:** (860) 463-1745

7 Trap Falls Road  
Shelton CT 06117  
1014636



**Mary Chappano**

Sales Associate, CHP,  
William Raveis Real Estate

[www.raveis.com/.../16755](http://www.raveis.com/.../16755)

**M:** (860) 748-6960

[Mary.Chappano@raveis.com](mailto:Mary.Chappano@raveis.com)

200 West Main Street  
Avon CT 06001

**WILLIAM RAVEIS**

