

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

A message from Nickolas Inhelder:

We Make Home Happen.™

Our goal is simple:

To help every family we serve get to “Yes.”

Yes to the loan that unlocks the joy of home ownership.

Yes to the lending solution that meets every client’s unique needs and wants.

That’s why we dedicate our every resource to serve as your personal guide through the lending process, solving problems, building confidence. Aslan has access to every lending option leading to the purchase or refinance of a residential home loan.

This is more than work for us. It is our unique joy in this life to share our collective skill, creativity, and care to bring you and your family right to where you belong.

Let’s make home happen.

CONTACT ME TODAY



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The Day Ahead: Big Old Rally After HUGE Downward NFP Revisions

Non-farm payrolls came in at 73k vs 110k, which is a pretty good thing for the bond market in and of itself. But the bigger story is in the net revisions to the last 2 months. 139k reported in June became 19k. 147k reported last month was revised to 14k! That means, on average, the last 2 NFPs were 126.5k lower.

Nonfarm Payroll Employment: Revisions

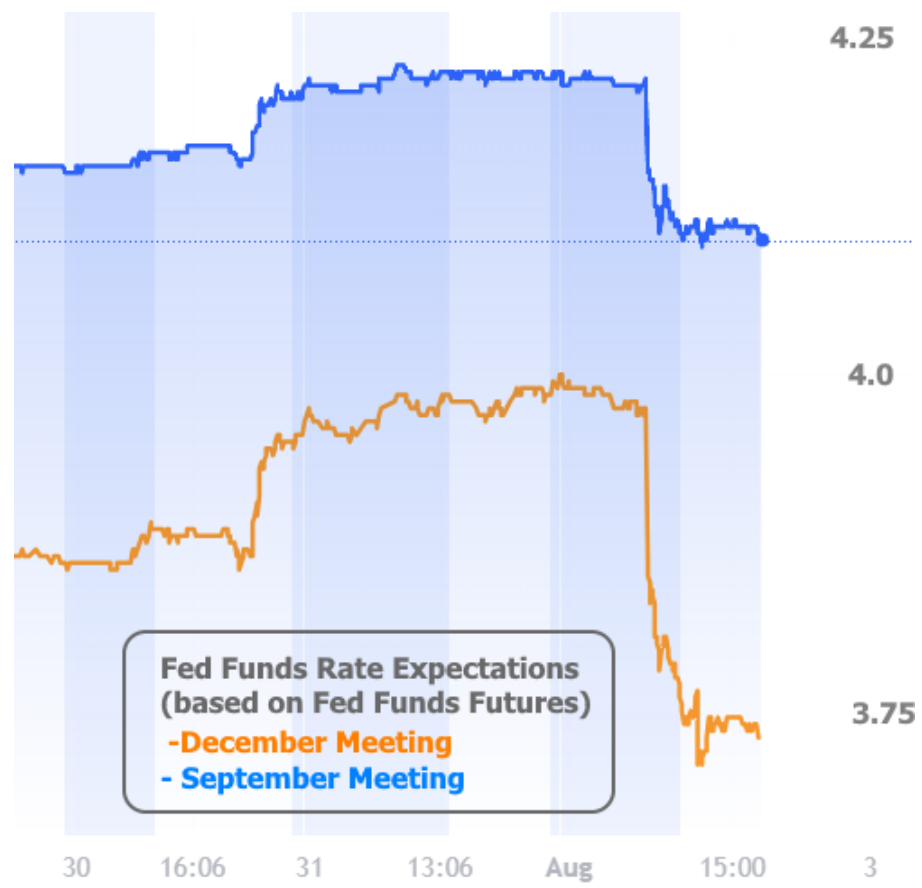
Month	Year	Seasonally adjusted					
		Over-the-month change			Revision* in over-the-month change		
		1st	2nd	3rd	2nd - 1st	3rd - 2nd	3rd - 1st
Jan.	2025	143	125	111	-18	-14	-32
Feb.	2025	151	117	102	-34	-15	-49
Mar.	2025	228	185	120	-43	-65	-108
Apr.	2025	177	147	158	-30	11	-19
May	2025	139	144	19	5	-125	-120
Jun.	2025	147	14		-133		
Jul.	2025	73					

Initial NFP

Most Recent Revision

Difference Between the Two

It completely reframes the current picture of the labor market in a way that argues for a rapid re-evaluation of Fed rate cut odds. The market agrees. Fed Funds Rate (FFR) expectations are plummeting.



2yr Treasury yields (more closely tied to FFR) are on fire--down more than 22bps! That's hot enough to warm up the rest of the yield curve with 10yr yields down more than 13bps at 4.239.



MBS are up half a point. On a separate note, there's a lot of unfortunate commentary on social media about revisions and the Fed being 'too late' in light of the revisions. We'd note that in the past, when revisions like this have happened, the Fed has been quick to acknowledge and adjust. September's Fed meeting (and the next NFP that comes out 2 weeks prior) just became orders of magnitude more interesting than the Dos Equis guy.