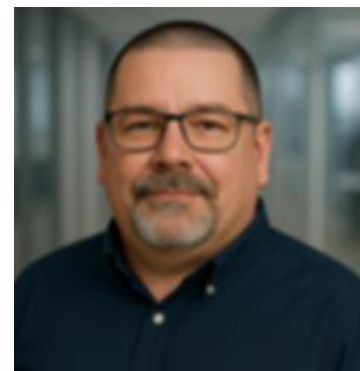


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The Day Ahead: Super Calm Post-NFP Week Continues

We don't want to jinx it, but this is turning out to be an uncommonly calm week of trading compared to other post-jobs-report trading weeks. So far, it's on track to have the narrowest range and the lowest week-over-week change of any recent example, regardless of the size of the NFP reaction. There's not much to say about the market in the absence of movement or relevant data. Today's only possibly noteworthy event is the 10yr Treasury auction, and that's a stretch. If we really strain to assign meaning, we could draw some conclusions about underlying bond trading sentiment based on whether or not we see any sort of selling spree heading into the auction. If there is no pre-auction concession AND if the auction stats are respectable, it would say a lot about the market's intention to hold or improve upon current levels.



Scott Swinford

