

# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

## The Day Ahead: Empty Calendar and Summertime Drift

Any week in early August (before anyone is back to school yet) classifies a "dog days of summer" type of week for the bond market. Movement is more random. Ranges are narrower. And major technical levels are rarely challenged in a significant way. Think of the present week like this. Last Friday saw 10yr yields drop from 4.4 to 4.2. Junior traders could be left with the instruction to sell 4.2 and buy 4.25 in the following week. That's what we saw Monday through Thursday. Now today, yields are creeping up just a bit more amid light volume and light liquidity.



It's not a move that we'd read too much into. In fact, 4.28 had been the only major technical level overhead after bouncing at 4.19 on Mon/Tue. We won't get a good idea of the current state of bond market momentum until next Tuesday's CPI. Bottom line: incidental and inconsequential weakness so far this morning, but still squarely in "victory" territory as far as the past 3 months are concerned.



### April Palacios

Branch Sales Manager,  
Fairway Independent  
Mortgage Corporation

P: (980) 290-4140

M: (704) 989-2961

6431 Old Monroe Rd, Suite 201  
Indian Trail North Carolina 28079  
124941



### Jennifer Buenau

Broker/REALTOR, Untied  
Real Estate Queen City

<https://youknowbuenau.com/>

M: (845) 800-5878

jennybsellsthecarolinas@gmail.com

7880 Idlewild Rd  
Indian Trail NC 28079-\_\_\_\_



