

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

ALERT: Huge Jump in PPI Hurting Bonds

- Core PPI
 - 0.9 vs 0.2 f'cast, 0.0 prev
- Annual Core PPI
 - 3.7 vs 2.9 f'cast, 2.6 prev

This is an exceptionally large miss for inflation data and while PPI is not the same caliber of market mover as CPI, it's instantly causing problems for bonds. 10yr yields were down several bps on the day, but are now up half a bp at 4.246. MBS are back to unchanged after starting out an eighth of a point higher.



Dan Farmer

President & CEO,
Heartland Financial &
Mortgage

www.hfmkc.com

P: (844) 515-5626

M: (913) 709-5341

7315 West 79th Street
Overland Park Kansas 66204
779961

