

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

The Day Ahead: Bonds Cheer Powell Pivot

Today's Jackson Hole speech gave Fed Chair Powell an opportunity to adjust his stance in light of much weaker jobs report that came out 2 days after the last Fed meeting. Powell had quite a bit to say, but the only thing the market really needed hear in order to facilitate a reaction was that the balance of risks may warrant adjusting policy. A close second was that tariff-driven inflation was unlikely to be a lasting dynamic given the downside risks to the labor market. Bonds rallied instantly on the release of the speech with short-term yields logically leading the way (due to their closer connection to Fed rate expectations). September rate cut odds moved back to the 90%+ levels seen earlier this week. 10yr yields are back in the middle of their August range and MBS are back near 2025's highs.



Nathaniel Rutkoski

Mortgage Broker, Zoom Loans

www.ZMLoans.com

M: (408) 767-6311

2140 W Grantline Rd
Tracy CA 95376

NMLS# 356590

ZOOM LOANS



Melissa Jimenez

Realtor, Realty ONE Group
Zoom

melissajimenezrealtor.com

P: (209) 627-0612

mjrealestate12@gmail.com

01916015

ONE REALTY **ONEGROUP**
ZOOM



