

# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

## UPDATE: Bonds Rallying After Weaker PPI

- Core Producer Prices MM (Aug)
  - -0.1% vs 0.3% f'cast, 0.9% prev
- Core Producer Prices YY (Aug)
  - 2.8% vs 3.5% f'cast, 3.7% prev
- Producer Prices (Aug)
  - -0.1% vs 0.3% f'cast, 0.9% prev

In addition, most of the components that flow through to PCE also came in lower--especially portfolio management which dropped from 5.8 to 2.0 m/m.

Bonds were slightly weaker ahead of the data, but 10s are now down 1.6bps and MBS are up a quick eighth of a point.



**Max Ozkural**

Chief Investment Officer,  
SM Capital, Inc.

[www.smcapitalinc.com](http://www.smcapitalinc.com)

P: (914) 391-8026

[max@smcapitalinc.com](mailto:max@smcapitalinc.com)

120 Kisco Ave

Mt. Kisco NY 10549



EQUAL HOUSING  
OPPORTUNITY