

# 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.



**Paul Gowen**

Broker/Owner, Willamette Falls Financial

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

**P:** (503) 922-1499

**M:** (503) 381-0736

4800 Meadows Rd  
Lake Oswego OR 97035  
272830

