

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

UPDATE: First Reaction to Fed Announcement is Stronger

- 25bp cut, as expected
- Dot plot comparison attached. Median at 3.625 (2 more 2025 cuts)

Bonds are rallying as expected in the "2 more cuts" scenario.

10yr down 1.9bps at 4.01 and MBS up an eighth.

Before and After Dot Plot Comparison

| Rate | 2025 | | 2026 | | 2027 | | Longer Run | |
|------|------------|------------|----------|----------|----------|----------|------------|----------|
| | JUN | SEP | JUN | SEP | JUN | SEP | JUN | SEP |
| 5.5 | | | | | | | | |
| 5.25 | | | | | | | | |
| 5.0 | | | | | | | | |
| 4.75 | | | | | | | | |
| 4.5 | | | | | | | | |
| 4.25 | •••••••••• | • | | | | | | |
| 4.0 | •• | •••••••••• | • | | | | | |
| 3.75 | •••••••••• | •• | •••••••• | •• | •• | •• | •• | •• |
| 3.5 | | •••••••••• | •••••••• | •••••••• | •••••••• | •• | •• | •• |
| 3.25 | •• | • | •••••••• | •••••••• | •••••••• | •• | •• | •• |
| 3.0 | | | •• | •••••••• | •••••••• | •••••••• | •• | •••••••• |
| 2.75 | | • | •• | •••• | •••• | •••• | •••• | •••• |
| 2.5 | | | •• | •• | •• | •• | •• | •••• |
| 2.25 | | | | | • | | | |



Jennifer Hill

Mortgage Broker, American Liberty Mortgage

P: (303) 901-6042

M: (303) 901-6042

1932 W 33RD AVE

Denver CO 80211

NMLS#238593

