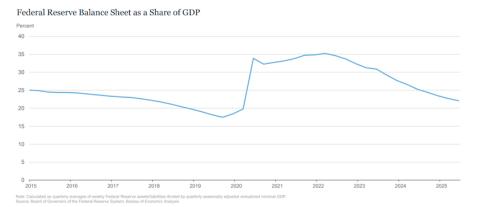
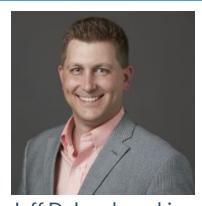
## MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

## The Day Ahead: Crude Notions About Underlying Bid

On the one hand, there's not much going on for the bond market these days. The jobs report is a flat-out requirement in terms of informing major changes in momentum. On the other hand, there are a few concerns in the background that have been helping the general uncertainty resolve in favor of buyers. One of last week's contenders was regional bank losses. An ongoing consideration is the level of reserves on the Fed balance sheet (not a huge consideration, and mostly baked-in, but probably modestly positive for bonds when the Fed stops letting reserves go lower).





Jeff Dobrzykowski
Branch Manager, Direct
Mortgage Loans
www.dobzgroup.com
M: (443) 722-1680
206 S Hays St Unit 200
Bel Air Maryland 21014
NMLS#155799



Then there's oil. Oil should never be mistaken as a primary indicator for bonds. It is infinitely better described as logically correlating due to global economic momentum. But there's no denying oil's role in inflation, and that's yet another small nudge in favor of better bond buying--or at least it can be.

