

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Another Hawkish Powell Press Conference Harshes Bonds' Mellow



Adan Saldana
CEO/Loan Originator,
Laser Mortgage
P: (702) 376-2643
670 S. Green Valley
Henderson Nevada 89052
NMLS 214926



Another Hawkish Powell Press Conference Harshes Bonds' Mellow

MBS Recap | Matthew Graham | 3:11 PM

The Fed cut rates and ended QT. Neither were surprises for markets and neither had an impact. The press conference was **hawkish**, however, with Powell saying a December cut was far from a foregone conclusion. This is very much counter to the market's expectation that a December cut was a lock. Fed Funds Futures tanked and yields surged about 8bps in the 10yr. MBS lost about 3/8ths and negative reprices continue to roll in.

The screenshot displays the MBS Live interface. On the left, there are two tables of 'REAL TIME PRICING' for MBS and Treasuries. The MBS table shows yields for various coupon rates (2.0, 2.5, 3.0, 3.5, 4.0, 4.5, 5.0, 5.5, 6.0, 6.5, 7.0, 7.5, 8.0, 8.5, 9.0, 9.5, 10.0, 10.5, 11.0, 11.5, 12.0, 12.5, 13.0, 13.5, 14.0, 14.5, 15.0, 15.5, 16.0, 16.5, 17.0, 17.5, 18.0, 18.5, 19.0, 19.5, 20.0, 20.5, 21.0, 21.5, 22.0, 22.5, 23.0, 23.5, 24.0, 24.5, 25.0, 25.5, 26.0, 26.5, 27.0, 27.5, 28.0, 28.5, 29.0, 29.5, 30.0, 30.5, 31.0, 31.5, 32.0, 32.5, 33.0, 33.5, 34.0, 34.5, 35.0, 35.5, 36.0, 36.5, 37.0, 37.5, 38.0, 38.5, 39.0, 39.5, 40.0, 40.5, 41.0, 41.5, 42.0, 42.5, 43.0, 43.5, 44.0, 44.5, 45.0, 45.5, 46.0, 46.5, 47.0, 47.5, 48.0, 48.5, 49.0, 49.5, 50.0, 50.5, 51.0, 51.5, 52.0, 52.5, 53.0, 53.5, 54.0, 54.5, 55.0, 55.5, 56.0, 56.5, 57.0, 57.5, 58.0, 58.5, 59.0, 59.5, 60.0, 60.5, 61.0, 61.5, 62.0, 62.5, 63.0, 63.5, 64.0, 64.5, 65.0, 65.5, 66.0, 66.5, 67.0, 67.5, 68.0, 68.5, 69.0, 69.5, 70.0, 70.5, 71.0, 71.5, 72.0, 72.5, 73.0, 73.5, 74.0, 74.5, 75.0, 75.5, 76.0, 76.5, 77.0, 77.5, 78.0, 78.5, 79.0, 79.5, 80.0, 80.5, 81.0, 81.5, 82.0, 82.5, 83.0, 83.5, 84.0, 84.5, 85.0, 85.5, 86.0, 86.5, 87.0, 87.5, 88.0, 88.5, 89.0, 89.5, 90.0, 90.5, 91.0, 91.5, 92.0, 92.5, 93.0, 93.5, 94.0, 94.5, 95.0, 95.5, 96.0, 96.5, 97.0, 97.5, 98.0, 98.5, 99.0, 99.5, 100.0, 100.5, 101.0, 101.5, 102.0, 102.5, 103.0, 103.5, 104.0, 104.5, 105.0, 105.5, 106.0, 106.5, 107.0, 107.5, 108.0, 108.5, 109.0, 109.5, 110.0, 110.5, 111.0, 111.5, 112.0, 112.5, 113.0, 113.5, 114.0, 114.5, 115.0, 115.5, 116.0, 116.5, 117.0, 117.5, 118.0, 118.5, 119.0, 119.5, 120.0, 120.5, 121.0, 121.5, 122.0, 122.5, 123.0, 123.5, 124.0, 124.5, 125.0, 125.5, 126.0, 126.5, 127.0, 127.5, 128.0, 128.5, 129.0, 129.5, 130.0, 130.5, 131.0, 131.5, 132.0, 132.5, 133.0, 133.5, 134.0, 134.5, 135.0, 135.5, 136.0, 136.5, 137.0, 137.5, 138.0, 138.5, 139.0, 139.5, 140.0, 140.5, 141.0, 141.5, 142.0, 142.5, 143.0, 143.5, 144.0, 144.5, 145.0, 145.5, 146.0, 146.5, 147.0, 147.5, 148.0, 148.5, 149.0, 149.5, 150.0, 150.5, 151.0, 151.5, 152.0, 152.5, 153.0, 153.5, 154.0, 154.5, 155.0, 155.5, 156.0, 156.5, 157.0, 157.5, 158.0, 158.5, 159.0, 159.5, 160.0, 160.5, 161.0, 161.5, 162.0, 162.5, 163.0, 163.5, 164.0, 164.5, 165.0, 165.5, 166.0, 166.5, 167.0, 167.5, 168.0, 168.5, 169.0, 169.5, 170.0, 170.5, 171.0, 171.5, 172.0, 172.5, 173.0, 173.5, 174.0, 174.5, 175.0, 175.5, 176.0, 176.5, 177.0, 177.5, 178.0, 178.5, 179.0, 179.5, 180.0, 180.5, 181.0, 181.5, 182.0, 182.5, 183.0, 183.5, 184.0, 184.5, 185.0, 185.5, 186.0, 186.5, 187.0, 187.5, 188.0, 188.5, 189.0, 189.5, 190.0, 190.5, 191.0, 191.5, 192.0, 192.5, 193.0, 193.5, 194.0, 194.5, 195.0, 195.5, 196.0, 196.5, 197.0, 197.5, 198.0, 198.5, 199.0, 199.5, 200.0, 200.5, 201.0, 201.5, 202.0, 202.5, 203.0, 203.5, 204.0, 204.5, 205.0, 205.5, 206.0, 206.5, 207.0, 207.5, 208.0, 208.5, 209.0, 209.5, 210.0, 210.5, 211.0, 211.5, 212.0, 212.5, 213.0, 213.5, 214.0, 214.5, 215.0, 215.5, 216.0, 216.5, 217.0, 217.5, 218.0, 218.5, 219.0, 219.5, 220.0, 220.5, 221.0, 221.5, 222.0, 222.5, 223.0, 223.5, 224.0, 224.5, 225.0, 225.5, 226.0, 226.5, 227.0, 227.5, 228.0, 228.5, 229.0, 229.5, 230.0, 230.5, 231.0, 231.5, 232.0, 232.5, 233.0, 233.5, 234.0, 234.5, 235.0, 235.5, 236.0, 236.5, 237.0, 237.5, 238.0, 238.5, 239.0, 239.5, 240.0, 240.5, 241.0, 241.5, 242.0, 242.5, 243.0, 243.5, 244.0, 244.5, 245.0, 245.5, 246.0, 246.5, 247.0, 247.5, 248.0, 248.5, 249.0, 249.5, 250.0, 250.5, 251.0, 251.5, 252.0, 252.5, 253.0, 253.5, 254.0, 254.5, 255.0, 255.5, 256.0, 256.5, 257.0, 257.5, 258.0, 258.5, 259.0, 259.5, 260.0, 260.5, 261.0, 261.5, 262.0, 262.5, 263.0, 263.5, 264.0, 264.5, 265.0, 265.5, 266.0, 266.5, 267.0, 267.5, 268.0, 268.5, 269.0, 269.5, 270.0, 270.5, 271.0, 271.5, 272.0, 272.5, 273.0, 273.5, 274.0, 274.5, 275.0, 275.5, 276.0, 276.5, 277.0, 277.5, 278.0, 278.5, 279.0, 279.5, 280.0, 280.5, 281.0, 281.5, 282.0, 282.5, 283.0, 283.5, 284.0, 284.5, 285.0, 285.5, 286.0, 286.5, 287.0, 287.5, 288.0, 288.5, 289.0, 289.5, 290.0, 290.5, 291.0, 291.5, 292.0, 292.5, 293.0, 293.5, 294.0, 294.5, 295.0, 295.5, 296.0, 296.5, 297.0, 297.5, 298.0, 298.5, 299.0, 299.5, 300.0, 300.5, 301.0, 301.5, 302.0, 302.5, 303.0, 303.5, 304.0, 304.5, 305.0, 305.5, 306.0, 306.5, 307.0, 307.5, 308.0, 308.5, 309.0, 309.5, 310.0, 310.5, 311.0, 311.5, 312.0, 312.5, 313.0, 313.5, 314.0, 314.5, 315.0, 315.5, 316.0, 316.5, 317.0, 317.5, 318.0, 318.5, 319.0, 319.5, 320.0, 320.5, 321.0, 321.5, 322.0, 322.5, 323.0, 323.5, 324.0, 324.5, 325.0, 325.5, 326.0, 326.5, 327.0, 327.5, 328.0, 328.5, 329.0, 329.5, 330.0, 330.5, 331.0, 331.5, 332.0, 332.5, 333.0, 333.5, 334.0, 334.5, 335.0, 335.5, 336.0, 336.5, 337.0, 337.5, 338.0, 338.5, 339.0, 339.5, 340.0, 340.5, 341.0, 341.5, 342.0, 342.5, 343.0, 343.5, 344.0, 344.5, 345.0, 345.5, 346.0, 346.5, 347.0, 347.5, 348.0, 348.5, 349.0, 349.5, 350.0, 350.5, 351.0, 351.5, 352.0, 352.5, 353.0, 353.5, 354.0, 354.5, 355.0, 355.5, 356.0, 356.5, 357.0, 357.5, 358.0, 358.5, 359.0, 359.5, 360.0, 360.5, 361.0, 361.5, 362.0, 362.5, 363.0, 363.5, 364.0, 364.5, 365.0, 365.5, 366.0, 366.5, 367.0, 367.5, 368.0, 368.5, 369.0, 369.5, 370.0, 370.5, 371.0, 371.5, 372.0, 372.5, 373.0, 373.5, 374.0, 374.5, 375.0, 375.5, 376.0, 376.5, 377.0, 377.5, 378.0, 378.5, 379.0, 379.5, 380.0, 380.5, 381.0, 381.5, 382.0, 382.5, 383.0, 383.5, 384.0, 384.5, 385.0, 385.5, 386.0, 386.5, 387.0, 387.5, 388.0, 388.5, 389.0, 389.5, 390.0, 390.5, 391.0, 391.5, 392.0, 392.5, 393.0, 393.5, 394.0, 394.5, 395.0, 395.5, 396.0, 396.5, 397.0, 397.5, 398.0, 398.5, 399.0, 399.5, 400.0, 400.5, 401.0, 401.5, 402.0, 402.5, 403.0, 403.5, 404.0, 404.5, 405.0, 405.5, 406.0, 406.5, 407.0, 407.5, 408.0, 408.5, 409.0, 409.5, 410.0, 410.5, 411.0, 411.5, 412.0, 412.5, 413.0, 413.5, 414.0, 414.5, 415.0, 415.5, 416.0, 416.5, 417.0, 417.5, 418.0, 418.5, 419.0, 419.5, 420.0, 420.5, 421.0, 421.5, 422.0, 422.5, 423.0, 423.5, 424.0, 424.5, 425.0, 425.5, 426.0, 426.5, 427.0, 427.5, 428.0, 428.5, 429.0, 429.5, 430.0, 430.5, 431.0, 431.5, 432.0, 432.5, 433.0, 433.5, 434.0, 434.5, 435.0, 435.5, 436.0, 436.5, 437.0, 437.5, 438.0, 438.5, 439.0, 439.5, 440.0, 440.5, 441.0, 441.5, 442.0, 442.5, 443.0, 443.5, 444.0, 444.5, 445.0, 445.5, 446.0, 446.5, 447.0, 447.5, 448.0, 448.5, 449.0, 449.5, 450.0, 450.5, 451.0, 451.5, 452.0, 452.5, 453.0, 453.5, 454.0, 454.5, 455.0, 455.5, 456.0, 456.5, 457.0, 457.5, 458.0, 458.5, 459.0, 459.5, 460.0, 460.5, 461.0, 461.5, 462.0, 462.5, 463.0, 463.5, 464.0, 464.5, 465.0, 465.5, 466.0, 466.5, 467.0, 467.5, 468.0, 468.5, 469.0, 469.5, 470.0, 470.5, 471.0, 471.5, 472.0, 472.5, 473.0, 473.5, 474.0, 474.5, 475.0, 475.5, 476.0, 476.5, 477.0, 477.5, 478.0, 478.5, 479.0, 479.5, 480.0, 480.5, 481.0, 481.5, 482.0, 482.5, 483.0, 483.5, 484.0, 484.5, 485.0, 485.5, 486.0, 486.5, 487.0, 487.5, 488.0, 488.5, 489.0, 489.5, 490.0, 490.5, 491.0, 491.5, 492.0, 492.5, 493.0, 493.5, 494.0, 494.5, 495.0, 495.5, 496.0, 496.5, 497.0, 497.5, 498.0, 498.5, 499.0, 499.5, 500.0, 500.5, 501.0, 501.5, 502.0, 502.5, 503.0, 503.5, 504.0, 504.5, 505.0, 505.5, 506.0, 506.5, 507.0, 507.5, 508.0, 508.5, 509.0, 509.5, 510.0, 510.5, 511.0, 511.5, 512.0, 512.5, 513.0, 513.5, 514.0, 514.5, 515.0, 515.5, 516.0, 516.5, 517.0, 517.5, 518.0, 518.5, 519.0, 519.5, 520.0, 520.5, 521.0, 521.5, 522.0, 522.5, 523.0, 523.5, 524.0, 524.5, 525.0, 525.5, 526.0, 526.5, 527.0, 527.5, 528.0, 528.5, 529.0, 529.5, 530.0, 530.5, 531.0, 531.5, 532.0, 532.5, 533.0, 533.5, 534.0, 534.5, 535.0, 535.5, 536.0, 536.5, 537.0, 537.5, 538.0, 538.5, 539.0, 539.5, 540.0, 540.5, 541.0, 541.5, 542.0, 542.5, 543.0, 543.5, 544.0, 544.5, 545.0, 545.5, 546.0, 546.5, 547.0, 547.5, 548.0, 548.5, 549.0, 549.5, 550.0, 550.5, 551.0, 551.5, 552.0, 552.5, 553.0, 553.5, 554.0, 554.5, 555.0, 555.5, 556.0, 556.5, 557.0, 557.5, 558.0, 558.5, 559.0, 559.5, 560.0, 560.5, 561.0, 561.5, 562.0, 562.5, 563.0, 563.5, 564.0, 564.5, 565.0, 565.5, 566.0, 566.5, 567.0, 567.5, 568.0, 568.5, 569.0, 569.5, 570.0, 570.5, 571.0, 571.5, 572.0, 572.5, 573.0, 573.5, 574.0, 574.5, 575.0, 575.5, 576.0, 576.5, 577.0, 577.5, 578.0, 578.5, 579.0, 579.5, 580.0, 580.5, 581.0, 581.5, 582.0, 582.5, 583.0, 583.5, 584.0, 584.5, 585.0, 585.5, 586.0, 586.5, 587.0, 587.5, 588.0, 588.5, 589.0, 589.5, 590.0, 590.5, 591.0, 591.5, 592.0, 592.5, 593.0, 593.5, 594.0, 594.5, 595.0, 595.5, 596.0, 596.5, 597.0, 597.5, 598.0, 598.5, 599.0, 599.5, 600.0, 600.5, 601.0, 601.5, 602.0, 602.5, 603.0, 603.5, 604.0, 604.5, 605.0, 605.5, 606.0, 606.5, 607.0, 607.5, 608.0, 608.5, 609.0, 609.5, 610.0, 610.5, 611.0, 611.5, 612.0, 612.5, 613.0, 613.5, 614.0, 614.5, 615.0, 615.5, 616.0, 616.5, 617.0, 617.5, 618.0, 618.5, 619.0, 619.5, 620.0, 620.5, 621.0, 621.5, 622.0, 622.5, 623.0, 623.5, 624.0, 624.5, 625.0, 625.5, 626.0, 626.5, 627.0, 627.5, 628.0, 628.5, 629.0, 629.5, 630.0, 630.5, 631.0, 631.5, 632.0, 632.5, 633.0, 633.5, 634.0, 634.5, 635.0, 635.5, 636.0, 636.5, 637.0, 637.5, 638.0, 638.5, 639.0, 639.5, 640.0, 640.5, 641.0, 641.5, 642.0, 642.5, 643.0, 643.5, 644.0, 644.5, 645.0, 645.5, 646.0, 646.5, 647.0, 647.5, 648.0, 648.5, 649.0, 649.5, 650.0, 650.5, 651.0, 651.5, 652.0, 652.5, 653.0, 653.5, 654.0, 654.5, 655.0, 655.5, 656.0, 656.5, 657.0, 657.5, 658.0, 658.5, 659.0, 659.5, 660.0, 660.5, 661.0, 661.5, 662.0, 662.5, 663.0, 663.5, 664.0, 664.5, 665.0, 665.5, 666.0, 666.5, 667.0, 667.5, 668.0, 668.5, 669.0, 669.5, 670.0, 670.5, 671.0, 671.5, 672.0, 672.5, 673.0, 673.5, 674.0, 674.5, 675.0, 675.5, 676.0, 676.5, 677.0, 677.5, 678.0, 678.5, 679.0, 679.5, 680.0, 680.5, 681.0, 681.5, 682.0, 682.5, 683.0, 683.5, 684.0, 684.5, 685.0, 685.5, 686.0, 686.5, 687.0, 687.5, 688.0, 688.5, 689.0, 689.5, 690.0, 690.5, 691.0, 691.5, 692.0, 692.5, 693.0, 693.5, 694.0, 694.5, 695.0, 695.5, 696.0, 696.5, 697.0, 697.5, 698.0, 698.5, 699.0, 699.5, 700.0, 700.5, 701.0, 701.5, 702.0, 702.5, 703.0, 703.5, 704.0, 704.5, 705.0, 705.5, 706.0, 706.5, 707.0, 707.5, 708.0, 708.5, 709.0, 709.5, 710.0, 710.5, 711.0, 711.5, 712.0, 712.5, 713.0, 713.5, 714.0, 714.5, 715.0, 715.5, 716.0, 716.5, 717.0, 717.5, 718.0, 718.5, 719.0, 719.5, 720.0, 720.5, 721.0, 721.5, 722.0, 722.5, 723.0, 723.5, 724.0, 724.5, 725.0, 725.5, 726.0, 726.5, 727.0, 727.5, 728.0, 728.5, 729.0, 729.5, 730.0, 730.5, 731.0, 731.5, 732.0, 732.5, 733.0, 733.5, 734.0, 734.5, 735.0, 735.5, 736.0, 736.5, 737.0, 737.5, 738.0, 738.5, 739.0, 739.5, 740.0, 740.5, 741.0, 741.5, 742.0, 742.5, 743.0, 743.5, 744.0, 744.5, 745.0, 745.5, 746.0, 746.5, 747.0, 747.5, 748.0, 748.5, 749.0, 749.5, 750.0, 750.5, 751.0, 751.5, 752.0, 752.5, 753.0, 753.5, 754.0, 754.5, 755.0, 755.5, 756.0, 756.5, 757.0, 757.5, 758.0, 758.5, 759.0, 759.5, 760.0, 760.5, 761.0, 761.5, 762.0, 762.5, 763.0, 763.5, 764.0, 764.5, 765.0, 765.5, 766.0, 766.5, 767.0, 767.5, 768.0, 768.5, 769.0, 769.5, 770.0, 770.5, 771.0, 771.5, 772.0, 772.5, 773.0, 773.5, 774.0, 774.5, 775.0, 775.5, 776.0, 776.5, 777.0, 777.5, 778.0, 778.5, 779.0, 779.5, 780.0, 780.5, 781.0, 781.5, 782.0, 782.5, 783.0, 783.5, 7



[Watch the Video](#)

MBS Morning

11:50 AM What Matters in Today's Fed Announcement

Alert

1:28 PM Some Selling Ahead of Fed

Alert

1:41 PM Negative Reprice Risk Increasing

Commentary

2:01 PM Here's What Changed in The New Fed Announcement

Alert

2:03 PM First Move After Fed is Mixed

Alert

2:28 PM Weakest Levels Ahead of Powell Press Conference

Alert

2:39 PM Reprices Becoming Likely After Powell Comment on Dec Cut

Econ Data / Events

- - o Case Shiller Home Prices-20 y/y (Aug)
 - 1.6% vs 1.9% f'cast, 1.8% prev
 - o CaseShiller 20 mm nsa (Aug)
 - -0.6% vs -- f'cast, -0.3% prev
 - o FHFA Home Price Index m/m (Aug)
 - 0.4% vs 0.1% f'cast, -0.1% prev
 - o FHFA Home Prices y/y (Aug)
 - 2.3% vs -- f'cast, 2.3% prev
 - o CB Consumer Confidence (Oct)
 - 94.6 vs 93.2 f'cast, 94.2 prev
 - Labor differential: 9.40 vs 7.80 prev

Market Movement Recap

10:26 AM modestly weaker overnight and holding steady so far. MBS down 1 tick (.03) and 10yr up 1.6bps at 3.992

01:28 PM 10yr yields are up 2.9bps at 4.005 and MBS down 3 ticks (.09)

01:41 PM MBS now down 5 ticks (.16) and 10yr up 3.5bps at 4.012

Lock / Float Considerations

- The negative reaction to the Fed press conference runs some risk of follow-through on Thursday. Risk averse clients are already locked. Risk-tolerant clients may be seeing their sign to lock in today's developments. We won't be comfortable saying that risk/reward is back to a balanced level until we see that this afternoon's negative momentum fails to follow through in the 2nd half of the week.

Technicals/Trends in 10yr (why 10yr)

- Ceiling/Support (can be used as "lock triggers")
 - 4.48
 - 4.40
 - 4.34
 - 4.28
 - 4.19
 - 4.12
 - 4.05
- Floor/Resistance
 - 3.89
 - 3.97

MBS & Treasury Markets





MBS

30YR UMBS 5.0
30YR UMBS 5.5
30YR GNMA 5.0
15YR UMBS-15 5.0

US Treasuries

10 YR	4.058%	+0.082%
2 YR	3.586%	+0.096%
30 YR	4.599%	+0.053%
5 YR	3.699%	+0.091%

[Open Dashboard](#)

[Share This](#)