

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

The Day Ahead: Weaker Start Despite Modest Boost From ISM Data

Bonds were moderately weaker in the overnight session with most of the selling arriving at 7:56am ET when Alphabet filed for a large **corporate bond** offering, estimated at \$15bln. **Corporate bond** issuance puts upward pressure on rates in several ways and there's almost always an immediate pop when a new, large deal (like this morning's) is announced. As a result, 10yr yields were roughly 4bps higher at the open. We saw a small rally in response to tepid ISM manufacturing data, but it doesn't seem to be sticking.



Rei Maks

Mortgage Broker, Fenero Capital, Inc.

www.fenerocapital.com

M: (925) 389-9149

rei.maks@fenerocap.com

1212 Broadway Plaza
Walnut Creek CA 94596

NMLS# 765098

DRE# 02089250



FENERO CAPITAL