

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Uneventful Friday Ahead of Holiday-Shortened Week



Heather Woods

Branch Manager- Broker-
Loan Originator, Woods
Lending Solutions -
Powered By My Community
Mortgage

www.truluxecapital.com

M: (210) 392-8299

heatherwoods@mychomeloans.com

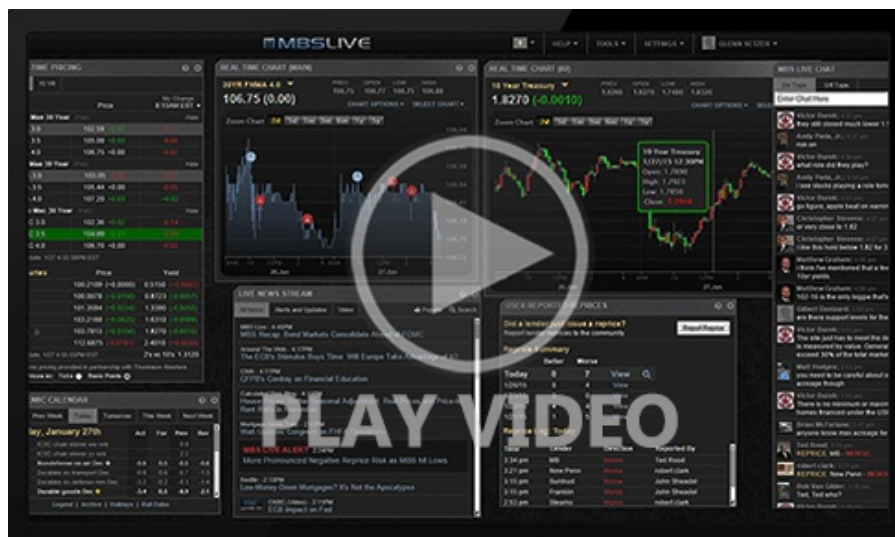
Humble TX 77346
833399



Uneventful Friday Ahead of Holiday-Shortened Week

MBS Recap Matthew Graham | 3:48 PM

Bonds held their ground on Friday, but required some help from weaker economic data to do so. Compared to the past 2 sessions, volatility was much lower and losses may not have been too severe, even without the data. Taken together, the past 3 days illustrate just how desperate the market is for actionable econ data. The incoming week is once again sparse in that regard. It will also be punctuated by a rare mid-week holiday on Tuesday. One side effect of that holiday is that it pushes the 3yr Treasury auction forward to Monday--something that may have added slightly to the early selling in bonds today.



Watch the Video

MBS Morning

10:51 AM Econ Data Keeping Bonds Flat

2:32 PM

Econ Data / Events

- ○ Consumer Sentiment (Nov)
 - 50.3 vs 53.2 f'cast, 53.6 prev
- Sentiment: 1y Inflation (Nov)
 - 4.7% vs -- f'cast, 4.6% prev
- Sentiment: 5y Inflation (Nov)
 - 3.6% vs -- f'cast, 3.9% prev
- U Mich conditions (Nov)
 - 52.3 vs 59.2 f'cast, 58.6 prev

Market Movement Recap

- 08:20 AM Calm overnight session and a flat start. MBS up 1 tick (.03) and 10yr up 0.3bps at 4.088.
- 01:13 PM Flat at strongest levels. MBS up 1 tick (.03) and 10yr down 1.3bps at 4.072
- 03:37 PM Still little changed. MBS are perfectly flat and 10yr yields are less than half a bp higher at 4.089

Lock / Float Considerations

- Heading into the weekend, bonds are confirming that they've found their footing following the mid-week sell-off. They're also confirming that they'll need fresh inspiration if yields are to fall in a meaningful way.

Technicals/Trends in 10yr (why 10yr)

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

MBS & Treasury Markets



MBS

30YR UMBS 5.0	+
30YR UMBS 5.5	+
30YR GNMA 5.0	+

US Treasuries

10 YR	4.088%	+0.003%
2 YR	3.555%	-0.002%
30 YR	4.695%	+0.015%
5 YR	3.674%	-0.008%

Open Dashboard

Share This