

MBS & TREASURY MARKETS

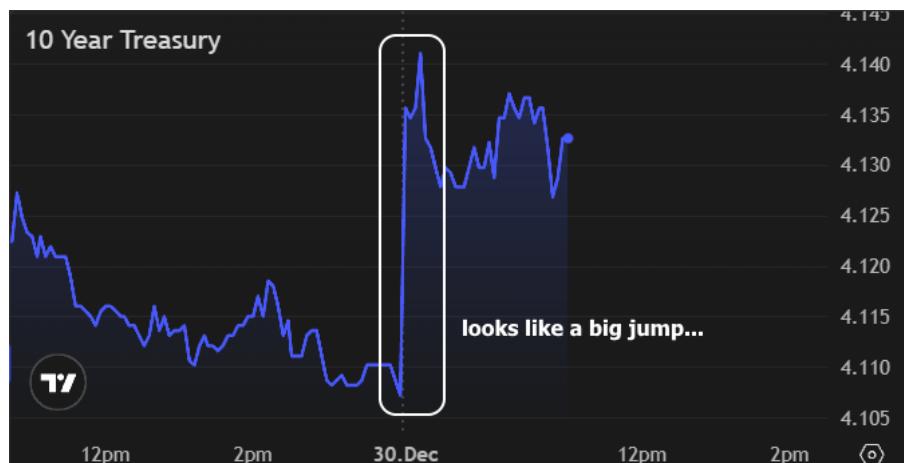
Daily Coverage. Industry Leading Perspective.



The Day Ahead: Meaningless Year-End Volatility

If we turn up the magnification on our market-watching microscopes, it may seem like something important happened in the bond market overnight. 10yr yields were up by more than 3bps at one point and MBS fell just over an eighth of a point. These may seem like big swings relative to yesterday's narrow range, but this is actually a rather tame expression of year-end volatility. To understand a bit more about month/quarter/year-end trading motivations, check out [our primer on the topic](#). 4 trading days ago, 10yr yields hit the top of the prevailing range at 4.20. Yesterday, they were close enough to the lower end of that range (4.10). Nothing that occurs inside these boundaries is remotely significant--just noise.


THE TEAM



Adam Fuller

Senior Loan Officer,
Mortgage 1 Inc.

www.m1gr.com/af
P: (616) 552-4663 x2
afuller@mortgageone.com
3243 East Paris Ave. SE
Grand Rapids MI 49512
1317422



10 Year Treasury

