

# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

## **ALERT:** Quick Selling Pressure At Year-End Trading Cut-Off

MBS are down a quick eighth of a point from the most recent highs. Unless a lender repriced for the better at those highs, negative reprice risk is minimal and, indeed, not at all justified by this amount of movement (i.e. this is a "heads-up" alert simply to explain the jumpiness.

While the official early close is still one hour away, the cut-off time for most large traders is/was 1pm ET. There's been a typical surge of volume around that time. A quick jolt of several bps in 10yr yields is not uncommon. There is no underlying fundamental motivation. It's all a byproduct of last-moment year-end position squaring.



Grace Modern Mortgage

[www.gracemodernmortgage.com](http://www.gracemodernmortgage.com)

P: (954) 945-8694

11820 Miramar Parkway  
Miramar Florida 33025

NMLS 2347296



**Selma Zollman**

Loan Officer, Grace Modern Mortgage

[www.gracemodernmortgage.com/szellman](http://www.gracemodernmortgage.com/szellman)

P: (301) 806-0934

M: (301) 806-0934

Szellman@gracemodernmortgage.com

11820 Miramar Parkway  
Miramar FL 33025