

# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

## UPDATE: MBS Surge Following Trump Comments

The newswire in question:

TRUMP: INSTRUCTING MY REPRESENTATIVES TO BUY \$200 BLN DOLLARS IN MORTGAGE BONDS

The reaction:



Robert Shamie

Fidelity Residential

<https://fidresi.com>

P: (732) 686-9999 x101

M: (732) 859-2400



We don't know exactly how this will play out yet, but MBS traders are clearly willing to react this afternoon. Based on the fact that there's almost exactly \$200bln of balance sheet room for the GSEs, this doesn't seem like a random, spur of the moment comment.