

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:



David Luxton

Mortgage Loan Officer,
USA Mortgage

<https://www.dluxhomeloans.com/>

M: (314) 578-3949

dluxton@usa-mortgage.com

12140 Woodcrest Executive Dr
St. Louis Missouri 63141

NMLS: 1993175, OH:
RM.850291.000, MLO-
OH.1993175,



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.