

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

ALERT: MBS Rapidly Starting to Sober Up

MBS prices have been a complete mess since yesterday afternoon's announcement. A large contingent of traders who weren't in the office y'day afternoon traded the news for the first time this morning, thus adding to a massive spike early. Cooler heads are prevailing now and MBS have dropped 3/8ths of a point from the AM highs. That said, they continue to outperform TSYs significantly--just not as much as they were an hour ago.

5.0 coupons are currently up only an eighth of a point on the day. 10yr yields are up 1.8bps at 4.19.

This isn't a reprice alert since rate sheets aren't out yet, but when they do come out, we should no longer be expecting as dramatic a shift as suggested by this morning's initial trading.



Scott Green

Home Loan Consultant,
Monument Mortgage
Group

P: (602) 971-0544 x1

M: (602) 577-8311

scott@scotthelps.com

21501 N. 78th Ave #100
Phoenix AZ 85382

Company NMLS #2512600
Individual NMLS #155901



David Rickey

Home Loan Consultant,
Monument Mortgage
Group

www.azmonument.com

P: (602) 971-0544 x2

david@azmonument.com

21501 N. 78th Ave
Peoria AZ 85382

Company NMLS # 2512600
Individual NMLS #1493357