

# 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.



**Padraic Robertson**

President, Coastal Custom Mortgage, Inc

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

**P:** (912) 777-7050

**M:** (912) 659-9401

340 Eisenhower Dr Suite 220  
Savannah GA 31406

NMLS: 904786

Mortgage Licensee Georgia, South  
Carolina, North C



**Coastal**  
Custom Mortgage Inc