

# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

## MBS Recap: Bonds Recovering a Bit After "Framework of a Deal" on Greenland



**Jeff Statz**  
Mortgage Banker  
**P:** (608) 301-5112  
jeff@statz.us  
**My NMLS:** 36442

## Bonds Recovering a Bit After "Framework of a Deal" on Greenland

**MBS Recap** | Matthew Graham | 3:44 PM

Geopolitics have been front and center for financial markets over the past 2 days with both stocks and bonds taking clear cues from newswires pertaining to tariff brinksmanship, trade deal negotiations, foreign wealth fund participation, and ultimately, the late-day announcement of a "framework of a deal" regarding Greenland. Details are in short supply, but the most important development being a pause on the plan to implement new tariffs on February 1st. Markets are cautiously trading this as a win for now with stocks and bonds at the best levels of the week, but definitely not back in line with last week's levels.

**PLAY VIDEO**

The screenshot shows the MBS LIVE interface. On the left, there's a 'TIME, PRICING' section with a table for 'MBS 30 Year' and 'MBS 10 Year' bonds. The table includes columns for Price, Yield, and Change. In the center, there are two 'REAL TIME CHART (MAIN)' sections: one for '30YR FINMA 4.0' (Price: 106.75, Yield: 3.918%) and one for '10 Year Treasury' (Price: 1.8227, Yield: 0.0010). Below the charts is a 'LIVE NEWS STREAM' with a headline about 'MBS Live: Bond Markets Consolidate Around 3.0%'. To the right is a 'LIVE CHAT' window with a list of messages from users like 'Victor Shantz' and 'Christopher Stevens'. At the bottom, there's a 'USER REPORTED PRICES' section and a 'MBS LIVE ALERT' box.

Watch the Video

## MBS Morning

10:47 AM Calmer Day so Far, But No Relief From Recent Rout

3:20 PM

## Econ Data / Events

- - MBA Purchase Index (Jan)/16
    - 194.1 vs 184.6 prev
  - MBA Refi Index (Jan)/16
    - 1580.8 vs 1313.1 prev
  - Pending Home Sales
    - 71.8 vs 79.2 prev

## Market Movement Recap

09:54 AM choppy, sideways overnight session and little-changed so far. MBS up 2 ticks (.06) and 10yr down 1bp at 4.286

01:25 PM reasonably well received 20yr bond auction. 10yr down 3 bps at 4.266 and MBS up an eighth.

02:57 PM Best levels of the day after Greenland-related tariff pause and word of a "deal framework." MBS up 6 ticks (.19) and 10yr down 4.6bps at 4.25

## Lock / Float Considerations

- Geopolitical risks began to ebb on Wednesday with potential Greenland de-escalation. This helps resolve the asymmetry we discussed on Tuesday and possibly creates some favorable asymmetry in the other direction. To reiterate yesterday's important point: asymmetric risk is never intended as a comment on future directional movement, but rather, the relative size of rally potential vs selling potential. On a very short term, tactical note, those floating with lenders who do NOT reprice for the better this afternoon will have a bit of a cushion heading into tomorrow as rate sheets were flat before several lenders began to reprice (and MBS are up roughly 19bps on the day as of 3:30pm).

## Technicals/Trends in 10yr (why 10yr)

- Ceiling/Support (can be used as "lock triggers")

- o 4.48
- o 4.40
- o 4.34
- o 4.28
- o 4.19
- o 4.12
- o 4.05

- Floor/Resistance

- o 3.89
- o 3.97

## MBS & Treasury Markets



### MBS

30YR UMBS 5.0	+
30YR UMBS 5.5	+
30YR GNMA 5.0	+
15YR UMBS-15 5.0	+

### US Treasuries

10 YR	4.254%	-0.042%
2 YR	3.593%	-0.004%
30 YR	4.876%	-0.040%
5 YR	3.830%	-0.023%

[Open Dashboard](#)

[Share This](#)