

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

The Day Ahead: Big Beat in ISM Manufacturing. Bonds Aren't Thrilled

Some would say there were warning signs, such as last week's Chicago PMI surging to the 2nd highest level since 2022, but that was generally dismissed as a noisy outlier in a data set that is volatility-prone. In this case, however, Chicago PMI was prescient. Today's ISM Manufacturing data surged to the highest level since 2022, both in terms of the headline and new orders. Even though this report isn't as much of a market mover as the non-manufacturing version, this is a big enough beat to make an exception. Bonds are clearly responding, and not in a rate-friendly way.



Brant Phillips

President, Colten Mortgage

www.coltenmortgage.com

M: 3039090411

6021 S. Syracuse Way, Suite 104
Greenwood Village CO 80111

NMLS#6122

Company NMLS#14210



