

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

MBS Recap: Just a Bit More Selling to End The Week



Stephen Moreno

Mortgage Consultant &
Sales Mgr., Capital City
Home Loans

www.cchl.com

P: (912) 638-3005

M: (229) 942-5570

621 Ocean Blvd
Saint Simons Island GA 31522
761190



Just a Bit More Selling to End The Week

MBS Recap | Matthew Graham | 4:38 PM

Nothing much new happened in the bond market today and that's not great because the status quo has been for rising energy prices to push bond yields higher (and stocks lower). The short end of the curve actually improved, but that says more about end-of-week position squaring than any new development. All told, it was the least painful day of the week despite ending at the highest yields since Feb 4. Next week brings a Fed announcement with zero chance of a cut, but still perhaps some interesting commentary on how the Fed will sort inflation implications versus the economic impact.





Watch the Video

MBS Morning

9:07 AM Decent Start, Lower Oil Prices, Weaker Data

Alert

11:05 AM Weakest Levels of The Day

Alert

11:59 AM Negative Reprices are Now Highly Likely

2:31 PM

Econ Data / Events

- ○ Core Retail Sales (Jan)
 - 0% vs 0.5% f'cast, 0.6% prev
- Core PCE (m/m) (Jan)
 - 0.4% vs 0.4% f'cast, 0.4% prev
- GDP Q4
 - 0.7% vs 1.4% f'cast, 4.4% prev
- USA JOLTS Job Openings (Jan)
 - 6.946M vs 6.70M f'cast, 6.542M prev

Market Movement Recap

- 08:33 AM Sideways to slightly stronger and a modestly positive reaction to the 8:30am data. MBS up an eighths and 10yr down 134bps at 4.252
- 11:47 AM MBS down an eighth of a point and 10yr up 1.3bps at 4.278

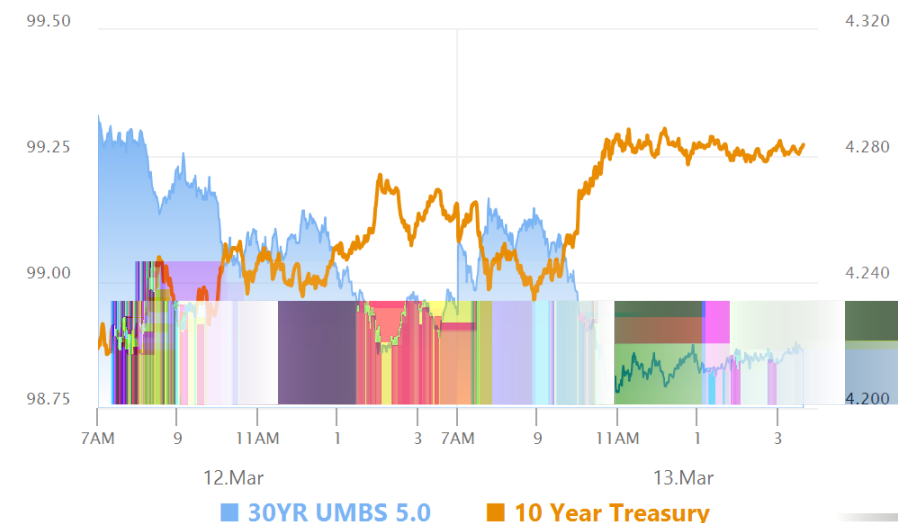
Lock / Float Considerations

- Volatility risk remains much higher than normal due to geopolitical uncertainty. The entire month of March has been bearish for rates so far. It makes sense to remain defensive until that bearish streak has clearly leveled off.

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	4.284%	+0.019%
2 YR	3.729%	-0.018%
30 YR	4.909%	+0.026%
5 YR	3.869%	-0.004%

Open Dashboard

Share This