

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.



The Day Ahead: Overnight Gains Erased by PPI/Oil. Fed on Deck

The Producer Price Index (PPI) was this morning's only big ticket econ data and calling it "big ticket" is a bit of a stretch. PPI often passes without a trace, but can occasionally get an obvious response even if it's not a huge response. Today's installment is bigger than normal. If there's a reason, it would be that the PPI components that flow through to PCE (a more important inflation metric) are all elevated (sometimes they run counter to the PPI headline). If there's another reason, it's because bonds aren't just reacting to PPI but also doing the same oil "follow oil prices" routine. The Fed announcement and dot plot hits at 2pm.

Justin Grable

President of Mortgage Lending, ABLE Mortgage

www.ABEMortgage.com

P: (951) 899-0009

M: (951) 899-0010

justin@ablemortgage.com

41923 Second St.
Temecula CA 92592

NMLS246763

CADRE01411989

ABLE
MORTGAGE



