

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

UPDATE: Minimal Reaction to Fed Announcement and Dots So Far

If anything, bonds are slightly stronger than before the announcement, but volume and volatility are insanely low for a Fed day (this morning's PPI/Oil trade was much bigger). Dots were little-changed.

Before and After Dot Plot Comparison

Rate	2026		2027		2028		Longer Run	
	DEC	MAR	DEC	MAR	DEC	MAR	DEC	MAR
5.5								
5.25								
5.0								
4.75								
4.5								
4.25								
4.0								
	•••		•••	•	•	•	•	•
3.75					•		•	•
	•••••	•••••••	•••••	•	•	•	•	•
3.5					•		•	•
	•••••	•••••••	•••••	•	•	•	•	•
3.25					•		•	•
	•••••	•	•••••	•••••••	•	•••••••	•	•••••
3.0					•••••		•••••	•••••
	••	••	•••••	••	•	••	•	••
2.75					•		•	
	•	•	••	•	•••	••	•••	••
2.5								
			•	•				

MBS are down 3 ticks (.09) but rising. 10yr up 1.4bps at 4.213 but falling.



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