

# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

## MBS Recap: Markets Hit by Glut of Escalation Headlines



**Drew Stiegemeier**

Mortgage Banker, Frontier Mortgage

[frontierhomemortgage.com/drew](http://frontierhomemortgage.com/drew)

**P:** (636) 898-0888

**M:** (618) 779-7507

1406168



**Mike Mihelcic**

Associate, Re/Max Alliance

[www.remax.com/.../102293806](http://www.remax.com/.../102293806)

**P:** (618) 656-2111

**M:** (618) 339-5752

[remaxmike2012@gmail.com](mailto:remaxmike2012@gmail.com)

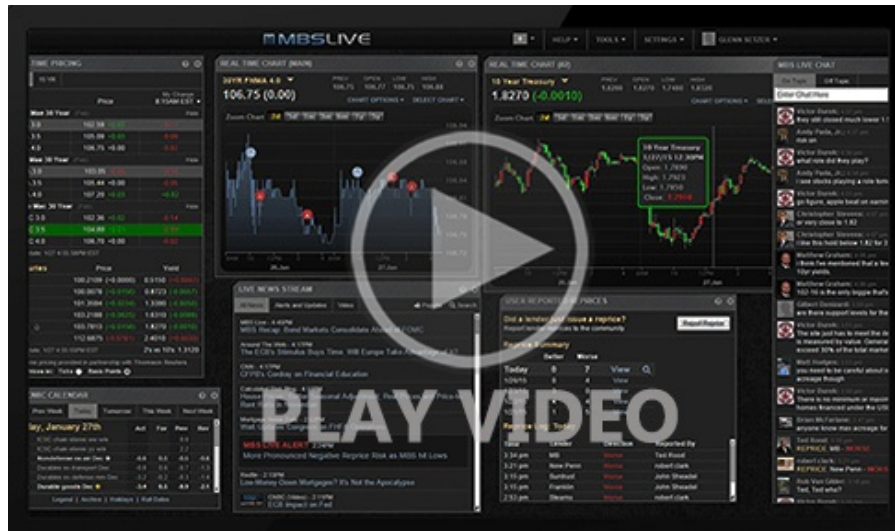
1121 University Drive  
Edwardsville IL 62025



## Markets Hit by Glut of Escalation Headlines

**MBS Recap** | Matthew Graham | 4:07 PM

Monday's trading session ended up being as simple as it was unpleasant. Bonds lost ground somewhat sharply as war-related headlines kept adding up to additional escalation. Highlights include overnight reports of Iran hitting a U.S. warship with missiles, multiple reports of UAE air defenses being activated, and damage/fire at a UAE oil export terminal. While bonds had a few moments of independence, they were broadly driven by rising oil prices associated with the aforementioned headlines.



Watch the Video

**Alert**

9:51 AM MBS Down Just Over an Eighth

**MBS Morning**

10:09 AM Weaker Start. Bonds Not Recovering With Oil So Far

**Alert**

11:34 AM MBS Now Down 3/8ths on The Day

**Alert**

12:21 PM Negative Reprices Becoming More Likely

3:32 PM

**Econ Data / Events**

- ○ ISM Manufacturing Employment (Apr)
  - 46.4 vs 49 fcast, 48.7 prev
- ISM Manufacturing PMI (Apr)
  - 52.7 vs 52 fcast, 52.7 prev

- 52.7 vs 53 f'cast, 52.7 prev
- ISM Mfg Prices Paid (Apr)
  - 84.6 vs 80 f'cast, 78.3 prev

## Market Movement Recap

- 09:20 AM moderately weaker overnight. 10yr up 3.5bps at 4.41 and MBS down 7 ticks (.22).
- 11:31 AM Weakest levels after headlines regarding Iran attacking UAE. MBS down 3/8ths and 10yr up 6bps at 4.435
- 02:23 PM sideways just off weakest levels. MBS down half a point and 10yr up 7.1bps at 4.447

## Lock / Float Considerations

- 5/4/26 - Despite Friday's hopeful technical set-up, yields were unable to close below our confirmation target of 4.37. Now today, they're up to multi-week highs and above the 4.42% technical level. Of course a sweeping peace agreement with Iran could change the tone at any moment, but until then, a defensive strategy makes the most sense.

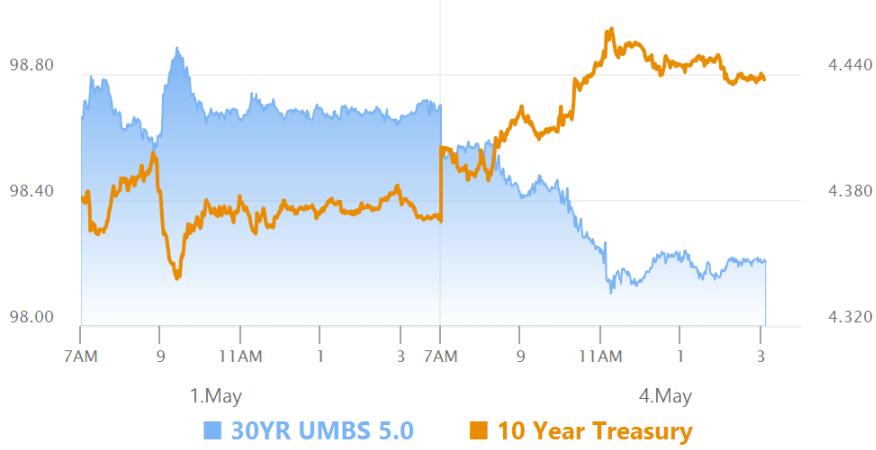
## Technicals/Trends in 10yr (why 10yr)

- Ceiling/Support (can be used as "lock triggers")
  - 4.66
  - 4.59
  - 4.48
- Floor/Resistance
  - 4.05
  - 4.12
  - 4.19
  - 4.28
  - 4.34
  - 4.40

## MBS & Treasury Markets

99.20

4.500



### MBS

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

### US Treasuries

|       |        |         |
|-------|--------|---------|
| 10 YR | 4.438% | +0.063% |
| 2 YR  | 3.950% | +0.067% |
| 30 YR | 5.017% | +0.055% |
| 5 YR  | 4.083% | +0.066% |

[Open Dashboard](#)

[Share This](#)