

# MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

## ALERT: Losing Ground After PPI Data

- Core PPI m/m (Apr)
  - 1.0% vs 0.3% f'cast, 0.1% prev
- Core PPI y/y (Apr)
  - 5.2% vs 4.3% f'cast, 3.8% prev
- PPI m/m (Apr)
  - 1.4% vs 0.5% f'cast, 0.5% prev
- PPI y/y (Apr)
  - 6.0% vs 4.9% f'cast, 4% prev

How about a little early morning alert? It's been a while since bonds reacted this sharply to an 8:30am report, and also since PPI upstaged CPI (even in terms of volume).

The results above speak for themselves. 10yr yields are up a quick 3bps at 4.483 but MBS are only down 2 ticks (.06). The selling is finding some support from the fact that the PPI components that correlate with PCE inflation were a bit softer than last month.



**Marc Erickson**

Mortgage Guide, Excel  
Financial Group, LLC

[www.themortgagemarc.com](http://www.themortgagemarc.com)

P: (720) 295-0704

M: (720) 295-0704

123 N College Avenue  
Fort Collins CO 80524  
1245157



**Ehric Wolfe**

REALTOR®, Coldwell  
Banker Realty

[www.coloradowolfehomes.com](http://www.coloradowolfehomes.com)

P: (970) 691-5299

[ehric@coloradowolfehomes.com](mailto:ehric@coloradowolfehomes.com)

3665 John F Kennedy Parkway  
Fort Collins CO 80525

