

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

The Day Ahead: Oil and Yields Starting Out Slightly Lower

Bonds are starting the day just a hair stronger versus yesterday's close and there are three ways to look at it. At the most basic level, the move is so small that it doesn't deserve any explanation (i.e. we're close enough to unchanged to say "nothing new is happening"). But given the recent resurgence of correlation between bonds and oil prices, that's probably today's warm bowl of porridge considering the almost 100% directional alignment overnight.



Finally, the most speculative and least defensible view is that bonds are finding technical support at the 4.59 which made our "key levels" list when it served as the stopping point for the biggest day of selling of the past few months on May 15th and was also the closing level on May 16th as well as yesterday's intraday high.



Steven Fishman

President, Buckeye Lending Solutions, Inc.

Buckeyelends.com

P: (239) 980-7588

M: (440) 773-9941

steve@buckeyelends.com

9990 Coconut Rd # 257
Bonita Springs Ohio / Florida
34135

Company NMLS#1838265 LO
NMLS#9362 OH LO.012547.001



10 Year Treasury

O4.572 H4.582 L4.559 C4.562

4.59

May 15-16

17

Apr 26

May 26

Jun 26

⌕