

MBS & TREASURY MARKETS

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MBS Recap: Some Bond-Specific Weakness in The Afternoon

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Some Bond-Specific Weakness in The Afternoon

MBS Recap | Matthew Graham | 3:49 PM

Oil and Treasury yields were almost perfectly correlated for almost the entire week. Friday afternoon was an exception. Oil continued sideways to slightly lower while yields rose a bit. Overall damage was negligible, but it was interesting nonetheless. While there was no clear news or event behind the move, we can

The image displays the MBSLIVE website, which provides real-time market data and financial news. The interface is divided into several sections:

- Top Navigation:** Includes the MBSLIVE logo, a search bar, and links for LOGIN, TALKS, MEETINGS, and GLOSSARY.
- Real-Time Charts:** Multiple panels showing price movements for various instruments.
 - 2019 FOMBA 4.00:** Shows a price of 106.75 (-0.00) with a line chart.
 - 10 Year Treasury:** Shows a price of 1.8270 (-0.0010) with a line chart. A green box highlights a peak at 1.7925.
 - 5 Year Treasury:** Shows a price of 1.2700 (-0.0010) with a line chart.
- News and Analysis:**
 - 2019 FOMBA 4.00:** A section titled "The Fed's Stimulus Push: Will It Keep the Economy on Track?" with a date of 1/10/19.
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- Market Data:**
 - 2019 FOMBA 4.00:** A table showing various market data points.
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A large, semi-transparent "PLAY VIDEO" watermark is overlaid across the center of the image, indicating that this is a video recording of the website.

Watch the Video

MBS Morning

10:05 AM Empty Calendar Leaves Focus on War Headlines

Alert

1:12 PM Down an Eighth From AM Plateau

2:45 PM

Econ Data / Events

- ○ Jobless Claims (Jul)/04
 - 215.0K vs 218K f'cast, 215K prev

Market Movement Recap

09:11 AM Unchanged MBS and 10yr down half a bp at 4.548

11:13 AM MBS down 2 ticks (.06) and 10yr unchanged at 4.553

02:19 PM MBS down 6 ticks (.19) and 10yr up 1.4bps at 4.568

03:35 PM Off the weakest levels. MBS down an eighth and 10yr up less than 1bp at 4.561

Lock / Float Considerations

- 7/10/26 - Limited rate sheet impact despite modest weakness in the bond market. Lenders who didn't reprice for the worse would have to account for that weakness on Monday morning assuming no change in bonds over the weekend. Thus, there's slight asymmetric risk in favor of locking with those lenders. The risk-tolerant crowd would continue to defend their stance with the 10yr continuing to trade under 4.59.

Technicals/Trends in 10yr (why 10yr)

- Ceiling/Support (can be used as "lock triggers")
 - o 4.59
 - o 4.51
 - o 4.42
- Floor/Resistance
 - o 4.19
 - o 4.28
 - o 4.34
 - o 4.36

MBS & Treasury Markets



MBS

30YR UMBS 5.0

30YR UMBS 5.5

30YR GNMA 5.0

US Treasuries		
10 YR	4.563%	+0.009%
2 YR	4.206%	+0.025%
30 YR	5.064%	-0.001%
5 YR	4.305%	+0.029%

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