

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

The Day Ahead: Bonds Pouting After Higher PCE

To be fair, not all of the PCE data was higher than expected, but none of the top line numbers were lower than expected. Core PCE was on target (notably 0.246%, so it nearly rounded up to 0.3 vs 0.2), but headline inflation was a tenth of a point above the monthly and annual targets. Traders were apparently positioned for better news as the bond market's immediate response has been moderately quick sell-off. MBS are starting out down more than an eighth and 10yr yields are up more than 2bps from pre-data levels.



David Posta

Sr. Loan Officer | NMLS#
277358, Timberline
Mortgage

timberlinebank.com/mortgage

M: (970) 201-7045

david.posta@timberlinebank.com

649 Market Street
Grand Junction CO 81505

Timberline Bank
Timberline Bank NMLS # 800901



Member
FDIC

