

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

ALERT: Weakest Levels After Treasury Announcement

Treasury announced a **liquidity** buyback operation of \$6bln in the 10-30yr sector just now. While it's higher than the initially-expected \$4 bln, it's not as high as the market was expecting after Bessent dared the market to bet against him this morning.

10yr yields are quickly up several more bps--4.6 in total--to 4.836. MBS are down 7 ticks (.22) on the day and nearly as much from some lenders' rate sheet print times. As such, negative reprices are already a possibility.



Stuart Cooper

The Preferred Lender

stuart@thepreferredlender.com

Newport Beach

Orange County CA 92660