

MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

ALERT: More Selling After CPI Comes in Slightly Hot

- m/m CORE CPI (Aug)
 - 0.3% vs 0.2% f'cast, 0.2% prev
- m/m Headline CPI (Aug)
 - 0.4% vs 0.4% f'cast, 0.1% prev
- y/y CORE CPI (Aug)
 - 2.4% vs 2.4% f'cast, 2.5% prev
- y/y Headline CPI (Aug)
 - 3.4% vs 3.4% f'cast, 3.4% prev

The 0.3% core reading is enough to convince the market that the Fed will hike rates next week. Fed funds futures are trading accordingly, instantly adding 6bps to the implied rate.

MBS are down 3 ticks (.09) and 10yr is up more than half a bp at 4.971



Jonathan McDowell

Senior Vice President -
Mortgage Loan Officer,
Southern Fidelity Mortgage
Group

www.sfmghuntsville.com

M: (256) 690-2436

jonathan@sfmghuntsville.com

2650 Leeman Ferry Rd STE E
Huntsville AL 35801

NMLS 594853



SOUTHERN FIDELITY
MORTGAGE GROUP OF HUNTSVILLE