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

Nathaniel Rutkoski
Mortgage Broker, Zoom Loans
www.ZMLoans.com
P: (408) 767-6311
M: (209) 362-4843
2140 W Grantline Rd
Tracy CA 95376
NMLS# 356590

Melissa Jimenez
Realtor, Realty ONE Group Zoom
melissajimenezrealtor.com
P: (209) 627-0612
mjrealestate12@gmail.com
01916015