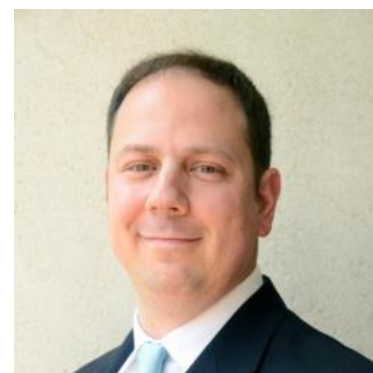


MBS & TREASURY MARKETS

Daily Coverage. Industry Leading Perspective.

The Day Ahead: Now Completely Shunning The Drop in Oil

Bonds were initially modestly stronger overnight, but mostly sideways in the bigger picture. Right at the 8:20am CME open, bond sellers were clearly waiting in line to sell. This is another small anecdote that potentially suggests month/quarter-end trading is contributing to this week's volatility. It could also be an ongoing defensive stance ahead of this week's high-stakes econ data (this morning's JOLTs being today's most pressing example, coming up at 10am ET). The weakness completely ignored a fairly substantial drop in oil prices. We'll see more about what's what after 10am.



Michael Levine

Senior Loan Officer,
CrossCountry Mortgage

M: 914-391-1183

2900 Westchester Ave.
Purchase NY 10577-____
307827