The Day Ahead: Overnight Adaptive Cruise, Following Oil

If rate movement were a car, it's been driving pretty recklessly recently, and definitely not keeping good pace with other motorists. But every now and then, we see a break in the craziness. The overnight trading session provided an example. The bond car set its adaptive cruise control to follow the car in front of it (oil prices, in today's case). That's left us just a bit stronger to start, but it's not an inspiring reversal so much as a coincidental mini-correction. 10yr yields unfortunately seem to be hitting resistance at 5.26%, but oil bounced at the same time, and we're not really in love with technicals these days. This afternoon's 3yr Treasury auction has a small chance of being mildly interesting (emphasis on small/mild).

Jeff Farnham
President, JTS & Co.
www.jts-co.com
P: (662) 329-9090
4158 HWY 45 N
Columbus MS 39705
NMLS #89796
JTS & Co. NMLS #55275

JTS & Co.
MORTGAGE PROFESSIONALS

EQUAL HOUSING LENDER

© MBS Live, LLC. All rights reserved. This newsletter is a service of MBS Live.