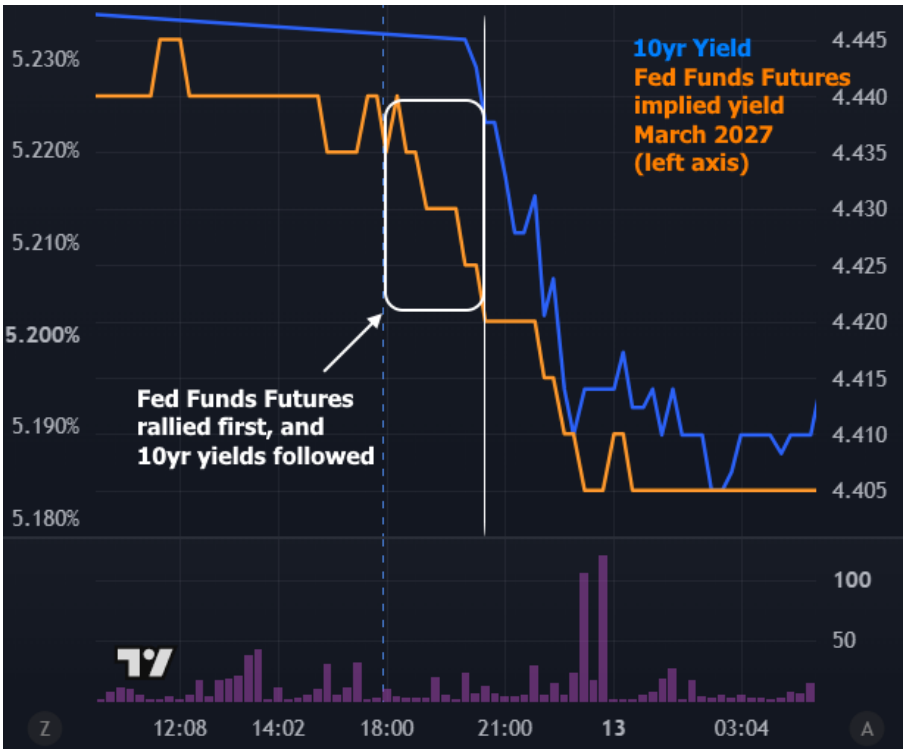
# The Day Ahead: Stronger Start. It's Complicated

Tuesday morning joins a fairly long list of trading days where overnight bond market movement cannot be cleanly connected to news headlines or econ data. With yields having recently pushed up to multi-decade highs, and Fed policy expectations constantly shifting, this will be an ongoing phenomenon. Over the past several sessions, there's definitely been some organic buying in longer-term bonds (i.e. investors concluding 10yr yields around 5.3% represent a good entry point). The overnight rally followed a shift in Fed rate expectations. Oil prices correlated but the timing was off when it comes to the earlier rally. Over the last 2 hours, however, a spike in oil prices is indeed leading a bounce back toward higher yields.



Charles Dailey
COO, iLoan
www.charlesdailey.com
**P:** (651) 428-6968
**M:** (612) 234-7283
charles@charlesdailey.com
2107 Skyway Dr
Saint Paul MN 55119___
79048

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