The Day Ahead: Light Calendar Leaves Tech Concerns in Focus

Last week's most notable development was a flight to safety in the bond market precipitated by concerns about a shift in tech sector sentiment. The shift in question was mainly driven by Coreweave which saw shares plummet and corporate debt spreads explode. That cause some concern about spillover to the rest of the tech sector. Treasuries benefited not only only from general safe haven demand, but also because the tech jitters implied a slower pace of AI capex and corporate debt issuance (both of which had previously created upward pressure on bond yields). The NASDAQ is starting the new week well off Friday afternoon's lows and 10yr yields have retreated accordingly. That said, Treasuries remain ready to benefit from any resurgence in AI sector jitters. In the absence of any high-impact economic data, assessing that risk will be this week's main theme.

Ryan Kearns
Managing Member & Mortgage Loan Originator, Kearns Mortgage Team, LLC
Kearnsmortgageteam.com
P: (813) 796-5755
M: (813) 540-3319
ryan@kearnsmortgageteam.com
3903 Northdale Blvd., Suite 100E
Tampa FL 33624
NMLS #1826973
NMLS #2177472

KEARNS Mortgage Team
EQUAL HOUSING OPPORTUNITY

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