The Day Ahead: Et Tu, S&P PMI?

Little has changed between yesterday's close and this morning's early trading. 10yr yields are still several bps under 5%. MBS are still effectively at the highest levels in a month. Tech isn't happy, with futures hugging yesterday's lows ahead of the open. One difference, however, is that we'll get a piece of economic data this morning that had a shockingly big impact on bonds when it came out last month: S&P PMIs. We're still incredulous about the 9/23 sell-off being driven by S&P PMIs, but we haven't seen a better explanation. That said, the jury's out as to whether that's a one-off. It would be very interesting if today's numbers (due out at 9:45 ET) are far from forecast, because whether they're better or worse, we'd definitely be learning something new.

Keith Dabols
Account Executive, Community Wholesale Lending
https://www.cwlend.com
M: (909) 908-9352
keith@cwlend.com
8270 Aspen Ave.
Rancho Cucamonga California 91730
ML Mortgage Corp. dba Community Wholesale Lending ("CWL") NMLS362312

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