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.



Dale Walker
Mortgage Advisor, C2 Financial
P: (949) 632-1828
M: (949) 632-1828
dwalker@c2financial.com

12230 El Camino Real
San Diego CA 92130
NMLS # 241463, CA DRE # 01491223
C2 NMLS# 135622, C2 CA DRE# 01821025

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