The Day Ahead: Slightly Stronger Start. Mostly Holding After ISM Data

Bonds were initially a hair weaker at the start of the overnight session, but rallied gradually after that. The sharpest gains arrived at the 9:30am NYSE open, suggesting money manager reallocations and "new month" trades. ISM Manufacturing hit 30 minutes later and the first reaction was modest bounce toward slightly higher yields and slightly higher stock prices. Perhaps the most notable development is that stocks are back up to Friday morning's levels even as bonds remain 4-5bps lower compared to the same baseline.





David Wiest
MLO, US Bank
P: (916) 955-7664
M: (916) 955-7664
1400 Rocky Ridge Dr
Roseville CA 95661
561109

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