



Calibrate | Focus | Execute

Market Conditions

April 12, 2024

MBS	Current Price	Change	OAS Dur	OAS Yld	Vol
FNMA30 6.0 MAY	99 26/32	+7/32	4.15	6.08%	3.73
FNMA15 5.0 MAY	98 26/32	+6/32	4.43	5.48%	3.98
GNMA130 6.0 MAY	100 4/32	+5/32	4.07	6.17%	3.66

Treasuries	Current Price	Change	Dur	Yld	Vol
5yr Treasury	98 5/32	+14/32	4.41	4.54	4.27
10yr Treasury	95 31/32	+20/32	7.91	4.51	7.28
30yr Treasury	94 2/32	+25/32	16.13	4.62	14.57

Stocks	Current Price	% Change	Commodities	Current Price	Change
Dow	38,035.32	-1.11%	Dollar	\$105.96	+0.65%
S&P 500	5,130.30	-1.32%	Gold	\$2,394.30	+0.93%
Nasdaq	16,194.23	-1.49%	Crude Oil	\$85.91	+1.04%

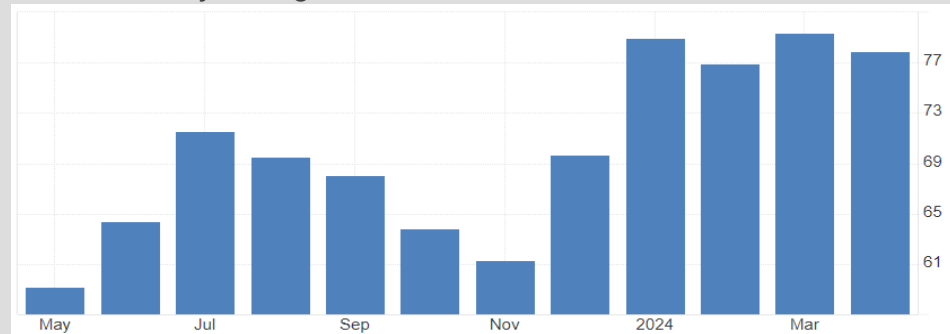
Economic Commentary

MBS prices are up about 7/32 this morning while the DOW is down about 385 points as techs lost their winning ways, and as investors reeled from the banking sector's mixed results to kick off earnings season. Investors are scrutinizing quarterly results from Wall Street's big banks to assess the potential impact if interest rates remain higher than expected this year. JPMorgan's shares fell after its profit beat targets as CEO Jamie Dimon flagged "inflationary pressures" and Federal Reserve policy as concerns. Wells Fargo and Citigroup also traded in the red after their reports. Meanwhile, precious metals continued to shine: Gold rallied above \$2,400 to hit another fresh record, and silver traded at its highest since early 2021. Demand is seen as driven by investors seeking safety amid heightening Middle East tensions but shunning US government bonds in the face of inflation concerns. Today's economic reports showed that the preliminary April University of Michigan Index of Consumer Sentiment checked in at 77.9 (Briefing.com consensus 78.8) versus the final reading of 79.4 for March. In the same period a year ago, the index stood at 63.7. "Overall, consumers are reserving judgment about the economy in light of the upcoming election, which, in the view of many consumers, could have a substantial impact on the trajectory of the economy," said Surveys of Consumers Director Joanne Hsu in a statement. The key takeaway from the report is the uptick in inflation expectations, which follows form with the larger-than-expected increase in the March Consumer Price Index and the view from various Fed officials that stickier inflation readings mean the Fed can be patient before cutting rates.

Economic Calendar

	PERIOD	ACTUAL	FORECAST	PREVIOUS
FRIDAY, APRIL 12				
Import price index	March	0.40%	0.30%	0.30%
Import price index minus fuel	March	0.10%	--	0.00
Consumer sentiment (prelim)	April	77.90	78.80%	79.40%
MONDAY, APRIL 15				
Empire State manufacturing survey	April	Waiting for Results	--	-20.90
U.S. retail sales	March	Waiting for Results	--	0.01
Retail sales minus autos	March	Waiting for Results	--	0.00
Business inventories	Feb.	Waiting for Results	--	0.00
Home builder confidence index	April	Waiting for Results	--	51.00
TUESDAY, APRIL 16				
Housing starts	March	Waiting for Results	--	1.52 million
Building permits	March	Waiting for Results	--	1.52 million
Industrial production	March	Waiting for Results	--	0.00
Capacity utilization	March	Waiting for Results	--	0.78
WEDNESDAY, APRIL 17				
Fed Beige Book				
THURSDAY, APRIL 18				
Initial jobless claims	13-Apr	Waiting for Results	--	211,000
Philadelphia Fed manufacturing survey	April	Waiting for Results	--	3.20
Existing home sales	March	Waiting for Results	--	4.38 million
U.S. leading economic indicators	March	Waiting for Results	--	0.10%
FRIDAY, APRIL 19				
None scheduled				

Chart of the Day: Michigan Consumer Sentiment Index



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Sources: Bloomberg, Reuters, MarketWatch.com, mortgagebusiness.com, advisorsperspectives.com, taintedalpha.com, options express, yahoo finance, estimize.com, stockcharts.com, tradingeconomics.com, dshort.com