



Calibrate | Focus | Execute

Market Conditions

April 17, 2024

MBS	Current Price	Change	OAS Dur	OAS Yld	Vol
FNMA30 6.0 MAY	99 13/32	+9/32	4.18	6.15%	3.82
FNMA15 5.0 MAY	98 14/32	+7/32	4.43	5.54%	4.05
GNMAI30 6.0 MAY	99 28/32	+9/32	4.06	6.20%	3.71

Treasuries	Current Price	Change	Dur	Yld	Vol
5yr Treasury	97 24/32	+9/32	4.41	4.65	4.35
10yr Treasury	97 7/32	+14/32	7.91	4.62	7.41
30yr Treasury	92 15/32	+20/32	16.13	4.73	14.83

Stocks	Current Price	% Change	Commodities	Current Price	Change
Dow	37,707.05	-0.25%	Dollar	\$106.21	-0.04%
S&P 500	5,033.10	-0.41%	Gold	\$2,402.20	-0.24%
Nasdaq	15,766.91	-0.65%	Crude Oil	\$83.91	-1.68%

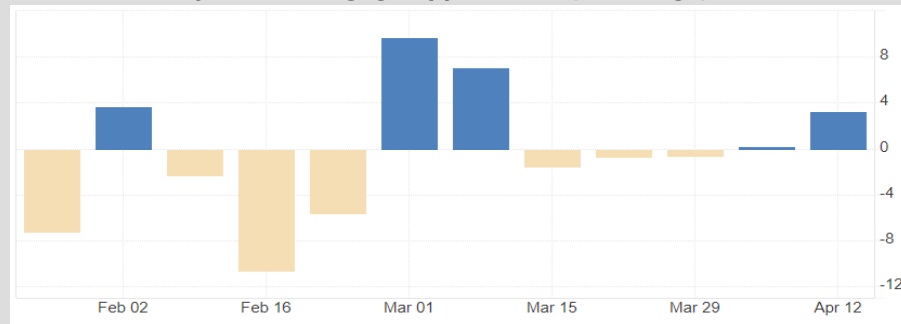
Economic Commentary

MBS prices are up about 9/32 this morning while the DOW is down about 100 points as investors interest rate worries coincide with a fresh slate of corporate earnings. Stocks have struggled to reprise their early-year rally, buffeted most recently by worries over heightened tensions in the Middle East and uncertainty over the timing and depth of rate cuts. Another bump came on yesterday as Federal Reserve Chair Jerome Powell's downbeat comments on inflation prompted some to recalibrate their bets on a September cut to December. After robust big bank results signaled a return to strength on Wall Street, investors are looking to earnings season to give stocks a push upward. The Beige Book, due out today, is used by the Fed to help inform its monetary policy decisions, and it is also closely watched by economists, investors, and businesses. The report is unique in that it provides a regional perspective on the economy, rather than just a national one. It's called "beige" because of the color of its cover. The report is released two weeks before the Federal Open Market Committee (FOMC) meeting, and it's widely used by market participants as a source of information to help anticipate Fed monetary policy. Mortgage applications in the US rose by 3.3% from the previous week on April 12th, pointing to some traction in mortgage demand following four consecutive weeks of muted applications. It was the sharpest increase in one month, despite the rising momentum in average mortgage rates due to the upswing in long-term US Treasury yields. The MBA noted that higher mortgage demand amid the rise in rates was due to resilient economic confidence for consumers, and efforts to undercut an even sharper increase in future rates. Applications for a mortgage to purchase a new home rose by 5% to bounce from a similar-magnitude plunge in the earlier week, while applications for a mortgage to refinance a home edged up by 0.5%, extending the 10% surge noted earlier.

Economic Calendar

	PERIOD	ACTUAL	FORECAST	PREVIOUS
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				
MONDAY, APRIL 22				
None scheduled				
TUESDAY, APRIL 23				
S&P flash U.S. services PMI	April	Waiting for Results	--	51.70
S&P flash U.S. manufacturing PMI	April	Waiting for Results	--	51.90
New home sales	March	Waiting for Results	--	662,000
WEDNESDAY, APRIL 24				
Durable-goods orders	March	Waiting for Results	--	1.30%
Durable-goods minus transportation	March	Waiting for Results	--	0.50%
THURSDAY, APRIL 25				
GDP	Q1	Waiting for Results	--	3.40%
Initial jobless claims	20-Apr	Waiting for Results	--	0.00%
Advanced U.S. trade balance in goods	March	Waiting for Results	--	-\$90.6B
Advanced retail inventories	March	Waiting for Results	--	0.50%
Advanced wholesale inventories	March	Waiting for Results	--	0.50%
Pending home sales	March	Waiting for Results	--	1.60%

Chart of the Day: MBA Mortgage Applications (% Change)



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Sources: Bloomberg, Reuters, MarketWatch.com, mortgagenewsdaily.com, advisorperspectives.com, taintedalpha.com, options express, yahoo finance, estimote.com, stockcharts.com, tradingeconomics.com, dshort.com