



Calibrate | Focus | Execute

Market Conditions

April 29, 2024

MBS	Current Price	Change	OAS Dur	OAS Yld	Vol
FNMA30 6.0 MAY	99 15/32	+4/32	4.44	6.16%	4.02
FNMA15 5.0 MAY	98 14/32	+2/32	4.52	5.54%	4.09
GNMAI30 6.0 MAY	100 15/32	+5/32	3.71	6.10%	3.36

Treasuries	Current Price	Change	Dur	Yld	Vol
5yr Treasury	99 29/32	+7/32	4.41	4.65	4.31
10yr Treasury	95 6/32	+12/32	7.91	4.63	7.34
30yr Treasury	92 8/32	+19/32	16.13	4.75	14.68

Stocks	Current Price	% Change	Commodities	Current Price	Change
Dow	38,379.53	+0.38%	Dollar	\$105.57	-0.35%
S&P 500	5,119.70	+0.39%	Gold	\$2,357.40	+0.45%
Nasdaq	16,007.56	+0.51%	Crude Oil	\$82.75	-1.31%

Economic Commentary

MBS prices are up about 4/32 this morning while the DOW is up about 110 points to start a big week filled with a Federal Reserve rate decision, the monthly jobs report, and earnings from more "Magnificent Seven" tech heavyweights. Among techs, Tesla CEO Elon Musk's surprise visit to China on Sunday brought immediate benefits for the EV maker, which cleared two big barriers to rolling out its Full Self-Driving software in the country. Tesla shares rose more than 11% after it reached an FSD-linked deal with Baidu (BIDU) seen as potentially helping stem its sales slump in a huge market. The Chinese internet giant's US-listed stock was up almost 7%. At the same time, investors are counting down to the Federal Reserve's policy decision at the end of its two-day meeting on Wednesday. Confusion reigns over whether the cooling in inflation has stalled and what any persistence in price pressures implies for interest rate cuts. While the central bank is expected to hold rates steady at a 23-year high, debate is raging over the timing and even likelihood of a cut in 2024. In focus is whether Fed policymakers will backtrack on their earlier projection for a significant easing in borrowing costs. Traders have already scaled back their bets, and the April jobs report that rounds off the week could move the needle again. There are no economic reports scheduled for release today.

Economic Calendar

	PERIOD	ACTUAL	FORECAST	PREVIOUS
MONDAY, APRIL 29				
None scheduled				
TUESDAY, APRIL 30				
Employment cost index	Q1	Waiting for Results	1.00%	0.90%
Case-Shiller home price index (20 cities)	Feb.	Waiting for Results	--	6.60%
Chicago Business Barometer (PMI)	April	Waiting for Results	47.00	41.40
Consumer confidence	April	Waiting for Results	103.50	104.70
WEDNESDAY, MAY 1				
ADP employment	April	Waiting for Results	200,000	184,000
Construction spending	March	Waiting for Results	0.30%	-0.30%
ISM manufacturing	April	Waiting for Results	50.20%	50.30%
Job openings	March	Waiting for Results	8.7 million	8.8 million
FOMC interest-rate decision				
Fed Chair Powell press conference				
THURSDAY, MAY 2				
Initial jobless claims	27-Apr	Waiting for Results	210,000	207,000
U.S. trade deficit	March	Waiting for Results	-\$69.2B	-\$68.9B
U.S. productivity	Q1	Waiting for Results	1.00%	3.20%
U.S. unit-labor costs	Q1	Waiting for Results	3.00%	0.40%
Factory orders	March	Waiting for Results	1.60%	1.40%
FRIDAY, MAY 3				
U.S. employment report	April	Waiting for Results	250,000	303,000
U.S. unemployment rate	April	Waiting for Results	3.80%	3.80%
U.S. hourly wages	April	Waiting for Results	0.30%	0.30%
Hourly wages year over year	2023-2034	Waiting for Results	--	4.10%
ISM services	April	Waiting for Results	52.00%	51.40%
MONDAY, MAY 6				
None scheduled				
TUESDAY, MAY 7				
Consumer credit	April	Waiting for Results	--	\$14.1B
WEDNESDAY, MAY 8				
Wholesale inventories	March	Waiting for Results	--	0.50%
THURSDAY, MAY 9				
Initial jobless claims	5-May	Waiting for Results	--	--
FRIDAY, MAY 10				
Consumer sentiment (prelim)	May	Waiting for Results	--	77.20
Monthly U.S. federal budget	April	Waiting for Results	--	-\$236B
U.S. unemployment rate	April	Waiting for Results	--	3.80%
U.S. hourly wages	April	Waiting for Results	--	0.30%
Hourly wages year over year	2023-2024	Waiting for Results	--	4.10%

Chart of the Day:



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