



Calibrate | Focus | Execute

Market Conditions

April 30, 2024

MBS	Current Price	Change	OAS Dur	OAS Yld	Vol
FNMA30 6.0 MAY	99 7/32	-8/32	4.45	6.22%	4.03
FNMA15 5.0 MAY	99 9/32	-6/32	4.50	5.57%	4.08
GNMAI30 6.0 MAY	100 12/32	-5/32	3.73	6.13%	3.38

Treasuries	Current Price	Change	Dur	Yld	Vol
5yr Treasury	99 22/32	-6/32	4.41	4.70	4.31
10yr Treasury	94 26/32	-11/32	7.91	4.67	7.34
30yr Treasury	91 24/32	-18/32	16.13	4.78	14.68

Stocks	Current Price	% Change	Commodities	Current Price	Change
Dow	38,092.43	-0.78%	Dollar	\$106.10	+0.50%
S&P 500	5,081.25	-0.68%	Gold	\$2,307.50	-2.12%
Nasdaq	15,853.62	-0.80%	Crude Oil	\$81.82	-1.04%

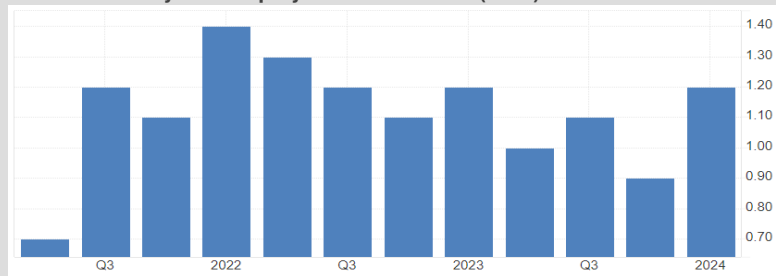
Economic Commentary

MBS prices are down about 8/32 this morning while the DOW is down about 330 points as new labor data came in hotter than expected while investors await the Federal Reserve's upcoming interest rate decision, along with earnings from Amazon. According to new data released by the Bureau of Labor Statistics early this morning, the employment cost index, which measures compensation and benefits, increased 1.2% from December to March, the highest increase in a year, after rising 0.9% at the end of 2023. Wages and salaries increased by 1.1% over that same three-month period, while benefit costs also increased by 1.1%. The data adds to ongoing concerns that persistently high wages are keeping inflation levels elevated. Home prices in February rose at the fastest clip since November 2022, according to national home price data released Tuesday. Prices nationwide rose 6.4% over the same month last year, the S&P CoreLogic Case-Shiller Home Price Index showed. "Following last year's decline, U.S. home prices are at or near all-time highs," Brian Luke, head of commodities, real and digital assets at S&P Dow Jones Indices, wrote in a press release. "Our 10- and 20-City Composite indices are currently at all-time highs." Consumer confidence fell sharply in April as inflation worries and a downbeat outlook on the job market pushed optimism to its lowest level since 2022. The Conference Board's consumer confidence index retreated to 97 in April, below economists' expectations for 104 and lower than March's reading of 103.1. "Consumers became less positive about the current labor market situation, and more concerned about future business conditions, job availability, and income," said Dana Peterson, chief economist at the Conference Board, in a release. Stocks are on track to post their worst month of 2024, as a brutal mid-April stretch means the major indexes are set to end the month with losses. But investors are looking to continue making headway on a rebound that has pervaded over the last week. Investors are bracing for policymakers to hold interest rates at historically elevated levels at the Fed's two-day meeting, set to start today. The prospect of rate cuts has retreated dramatically since the start of the year, helping drive up Treasury yields, a familiar systemic problem for stocks.

Economic Calendar

	PERIOD	ACTUAL	FORECAST	PREVIOUS
TUESDAY, APRIL 30				
Employment cost index	Q1	1.20%	1.00%	0.90%
Case-Shiller home price index (20 cities)	Feb.	7.30%	6.70%	6.60%
Chicago Business Barometer (PMI)	April	37.90	45.00	41.40
Consumer confidence	April	97.00	104.0	103.10
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	2023-2024	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: US Employment Cost Index (QoQ)



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Sources: Bloomberg, Reuters, MarketWatch.com, mortgagebusinessdaily.com, advisorsperspectives.com, taintalpha.com, options express, yahoo finance, eslimeze.com, stockcharts.com, tradingeconomics.com, dshort.com