



Calibrate | Focus | Execute

Market Conditions

May 7, 2024

MBS	Current Price	Change	OAS Dur	OAS Yld	Vol
FNMA30 6.0 MAY	100 7/32	+4/32	4.48	6.05%	3.78
FNMA15 5.0 MAY	99 10/32	+6/32	4.53	5.38%	3.83
GNMAI30 6.0 MAY	101 3/32	+5/32	3.70	6.03%	3.12

Treasuries	Current Price	Change	Dur	Yld	Vol
5yr Treasury	100 25/32	+6/32	4.41	4.44	4.04
10yr Treasury	96 17/32	+13/32	7.58	4.42	6.59
30yr Treasury	94 19/32	+26/32	14.97	4.57	12.73

Stocks	Current Price	% Change	Commodities	Current Price	Change
Dow	38,885.92	+0.17%	Dollar	\$105.21	+0.15%
S&P 500	5,193.11	+0.24%	Gold	\$2,324.20	-0.30%
Nasdaq	16,374.78	+0.15%	Crude Oil	\$78.70	+0.28%

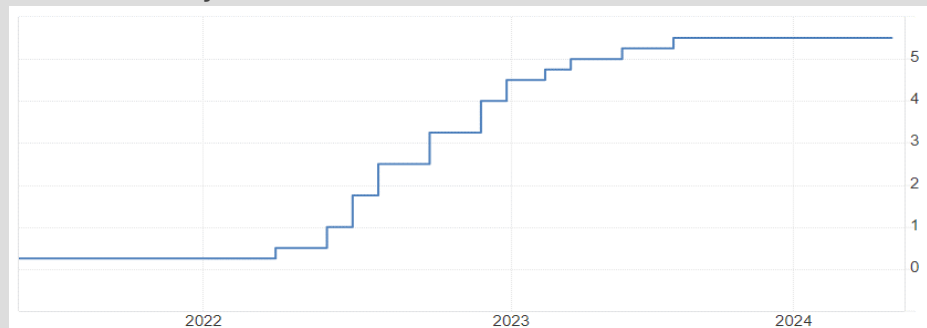
Economic Commentary

MBS prices are down about 4/32 this morning while the DOW is up about 65 points as investors soured on Disney's earnings and hoped that interest-rate cuts are in the cards as soon as later this summer. Stocks have surged as confidence grows that the "Goldilocks" jobs report will give the Federal Reserve reason to ease up on historically high rates, a belief bolstered by comments from policymakers on Monday. A week light on fresh economic data promises to leave those hopes intact. Richmond Fed President Tom Barkin sees the economy slowing in the coming months: "I am optimistic that today's restrictive level of rates can take the edge off demand in order to bring inflation back to our target," Barkin said in a speech to the Columbia Rotary Club in South Carolina. If the economy slows more significantly, the Federal Reserve has enough "firepower" to support it, Barkin noted. He also said that the full impact of the Fed's tightening has yet to be felt. Over 80% of S&P 500 have posted results in the best season for earnings in almost two years, which has seen companies prosper despite "sticky" inflation and higher-for-longer interest rates. Those topics are in focus as Fed officials step up to speak on the heels of their May policy meeting. Minneapolis Fed president Neel Kashkari is set to speak today.

Economic Calendar

	PERIOD	ACTUAL	FORECAST	PREVIOUS
TUESDAY, MAY 7				
Consumer credit	March	Waiting for Results	\$15.0B	\$14.1B
WEDNESDAY, MAY 8				
Wholesale inventories	March	Waiting for Results	-0.40%	0.50%
THURSDAY, MAY 9				
Initial jobless claims	4-May	Waiting for Results	212,000	208,000
FRIDAY, MAY 10				
Consumer sentiment (prelim)	May	Waiting for Results	76.00	77.20
Monthly U.S. federal budget	April	Waiting for Results	\$262.5B	-\$236B
MONDAY, MAY 13				
None scheduled				
TUESDAY, MAY 14				
NFIB optimism index	April	Waiting for Results	--	89
Producer price index	April	Waiting for Results	--	0
PPI year over year	0-Jan	Waiting for Results	--	0
Core PPI	April	Waiting for Results	--	0
Core PPI year over year	0-Jan	Waiting for Results	--	0
WEDNESDAY, MAY 15				
Consumer price index	April	Waiting for Results	--	0
CPI year over year	0-Jan	Waiting for Results	--	0
Core CPI	April	Waiting for Results	--	0
Core CPI year over year	0-Jan	Waiting for Results	--	0
U.S. retail sales	April	Waiting for Results	--	0
Retail sales minus autos	April	Waiting for Results	--	0
Empire State manufacturing survey	May	Waiting for Results	--	-14

Chart of the Day: US Fed Funds Interest Rate



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