



Calibrate | Focus | Execute

### Market Conditions

June 11, 2024

MBS	Current Price	Change	OAS Dur	OAS Yld	Vol
FNMA30 6.0 JUNE	100 3/32	-2/32	4.49	6.05%	4.03
FNMA15 5.0 JUNE	99 1/32	-2/32	4.52	5.45%	4.06
GNMAII30 6.0 JUNE	100 12/32	-2/32	3.64	6.10%	3.27

Treasuries	Current Price	Change	Dur	Yld	Vol
5yr Treasury	100 4/32	+3/32	4.40	4.46	4.28
10yr Treasury	99 9/32	+3/32	7.81	4.46	7.20
30yr Treasury	100 17/32	+3/32	15.68	4.59	14.17

Stocks	Current Price	% Change	Commodities	Current Price	Change
Dow	38,594.10	-0.70%	Dollar	\$105.35	+0.19%
S&P 500	5,348.51	-0.23%	Gold	\$2,324.30	-0.12%
Nasdaq	17,211.27	+0.11%	Crude Oil	\$78.19	+0.58%

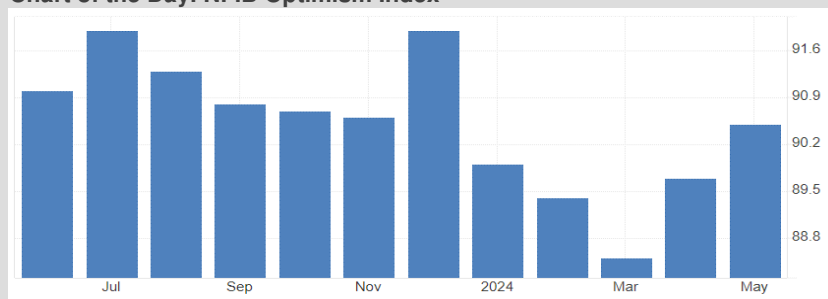
### Economic Commentary

MBS prices are down about 2/32 this morning while the DOW is down about 310 points as investors watched for a Federal Reserve meeting that should signpost the path of interest rates. Stocks have managed to make headway, with the S&P 500 and Nasdaq notching recent all-time closing highs despite market uncertainty about an economy that may be too hot or too cold for comfort. A string of inconclusive data has fueled skepticism about the likelihood of three rate cuts in 2024 as had been envisaged by the Fed in March. Many investors now predict just one reduction before the year's end. The two-day Fed policy meeting kicking off this morning is heavily expected to end with borrowing costs kept at their two-decade high. Investors will still watch out for hints on when a shift to cuts will come, with September or November in the frame. Investors calculating the rate-reduction odds are also looking ahead to May consumer price data due out tomorrow, given its crucial role in the Fed's deliberations. Today's lone economic report showed that the NFIB Small Business Optimism Index in the US rose to 90.5 in May 2024, the highest in five months, from 89.7 in April and above forecasts of 89.8. 22% of owners reported that inflation was their single most important problem in operating their business, unchanged from April and the top business problem among owners. "Small business owners need relief as inflation has not eased much on Main Street", said NFIB Chief Economist Bill Dunkelberg. Meanwhile, a net negative 8% of owners viewed current inventory stocks as "too low", down four points from April and the lowest reading since October 1981. Owners' plans to hire rose three points to a net 15%, the highest reading of the year. Also, a net 28% plan price hikes in May, up two points from April. 6% of owners reported that financing was their top business problem in May, the highest since June 2010.

### Economic Calendar

	PERIOD	ACTUAL	FORECAST	PREVIOUS
<b>TUESDAY, JUNE 11</b>				
NFIB optimism index	May	90.50	89.80	89.70
<b>WEDNESDAY, JUNE 12</b>				
Consumer price index	May	Waiting for Results	0.10%	0.30%
CPI year over year	2023-2024	Waiting for Results	3.40%	3.40%
Core CPI	May	Waiting for Results	0.30%	0.30%
Core CPI year over year	2023-2024	Waiting for Results	3.50%	3.60%
Monthly U.S. federal budget	May	Waiting for Results	-\$301.1B	\$210B
FOMC interest-rate decision				
Jerome Powell press conference				
<b>THURSDAY, JUNE 13</b>				
Initial jobless claims	8-Jun	Waiting for Results	225,000	229,000
Producer price index	May	Waiting for Results	0.10%	0.50%
PPI year over year	2023-2024	Waiting for Results	--	2.20%
Core PPI	May	Waiting for Results	0.30%	0.40%
Core PPI year over year	2023-2024	Waiting for Results	--	3.10%
<b>FRIDAY, JUNE 14</b>				
Import price index	May	Waiting for Results	0.00%	0.90%
Import price index minus fuel	May	Waiting for Results	--	0.70%
Consumer sentiment (prelim)	June	Waiting for Results	72.30	69.10
<b>MONDAY, JUNE 17</b>				
Empire State manufacturing survey	June	Waiting for Results	--	-15.60
<b>TUESDAY, JUNE 18</b>				
U.S. retail sales	May	Waiting for Results	--	0.00%
Retail sales minus autos	May	Waiting for Results	--	0.20%
Industrial production	May	Waiting for Results	--	-0.30%
Capacity utilization	May	Waiting for Results	--	78.40%
Business inventories	May	Waiting for Results	--	-0.10%
<b>WEDNESDAY, JUNE 19</b>				
Juneteenth Day holiday				
Home builder confidence index	June	Waiting for Results	--	45.00

### Chart of the Day: NFIB Optimism Index



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