



Calibrate | Focus | Execute

Market Conditions

June 14, 2024

MBS	Current Price	Change	OAS Dur	OAS Yld	Vol
FNMA30 6.0 JULY	100 24/32	+1/32	4.40	5.98%	3.78
FNMA15 5.0 JULY	99 26/32	+4/32	4.55	5.27%	3.90
GNMAII30 6.0 JULY	100 22/32	+1/32	3.58	6.07%	3.08

Treasuries	Current Price	Change	Dur	Yld	Vol
5yr Treasury	101 4/32	+1/32	4.40	4.24	4.10
10yr Treasury	101 7/32	+6/32	7.81	4.22	6.89
30yr Treasury	104 13/32	+22/32	15.68	4.37	13.54

Stocks	Current Price	% Change	Commodities	Current Price	Change
Dow	38,571.92	-0.22%	Dollar	\$105.51	+0.30%
S&P 500	5,426.09	-0.15%	Gold	\$2,347.10	+1.26%
Nasdaq	17,664.60	-0.02%	Crude Oil	\$78.81	+0.24%

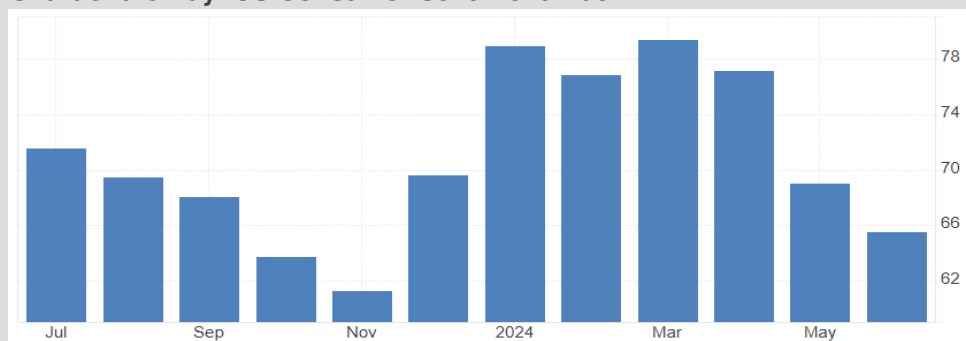
Economic Commentary

MBS prices are up about 1/32 this morning while the DOW is down about 85 points signaling a retreat from all-time highs as European turmoil rattled nerves. A surprise cooling in wholesale price pressures gave heart to investors betting on two interest rate cuts this year since the decline is likely to be reflected in the coming PCE inflation reading watched by the Federal Reserve. But the Fed this week dialed down its projected rate cuts from three to one in 2024, keeping the market guessing and leaving stocks vulnerable to shifts in mood. Strength in technology names has driven broader gains, setting up the S&P 500 and the Nasdaq for weekly wins. But the Dow faces a loss for the week as questions persist about the breadth of this year's rally. The University of Michigan consumer sentiment for the US fell for a third straight month to 65.6 in June 2024, the lowest since November, from 69.1 in May and well below forecasts of 72, preliminary estimates showed. Assessments of personal finances dipped, due to modestly rising concerns over high prices as well as weakening incomes. Overall, consumers perceive few changes in the economy from May. The current conditions gauge declined to 62.5 from 69.6 and the expectations subindex fell to 67.6 from 68.8. Meanwhile, year-ahead inflation expectations were unchanged at 3.3% but the five-year one edged up to 3.1% from 3%. Also Weighing down spirits was a slump in European stocks which were headed for their worst week since October. Investors are concerned about the fallout for markets if the far right makes political gains or even wins France's snap election.

Economic Calendar

	PERIOD	ACTUAL	FORECAST	PREVIOUS
FRIDAY, JUNE 14				
Import price index	May	-0.40%	--	0.90%
Import price index minus fuel	May	-0.30%	--	0.70%
Consumer sentiment (prelim)	June	65.6	73.0	69.10
MONDAY, JUNE 17				
Empire State manufacturing survey	June	Waiting for Results	--	-15.60
TUESDAY, JUNE 18				
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%
WEDNESDAY, JUNE 19				
Juneteenth Day holiday				
Home builder confidence index	June	Waiting for Results	--	45.00
THURSDAY, JUNE 20				
Initial jobless claims	15-Jun	Waiting for Results	--	242,000
U.S. current account	Q2	Waiting for Results	--	-\$194.8b
Housing starts	May	Waiting for Results	--	1.36 million
Building permits	May	Waiting for Results	--	1.44 million
Philadelphia Fed manufacturing survey	June	Waiting for Results	--	4.50

Chart of the Day: US Consumer Sentiment Index



Mortgage Capital Management, Inc. | 858-483-4404 | info@mortcap.com | mortcap.com

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