



Calibrate | Focus | Execute

### Market Conditions

July 10, 2024

MBS	Current Price	Change	OAS Dur	OAS Yld	Vol
FNMA30 6.0 JULY	100 21/32	+2/32	4.20	5.94%	3.74
FNMA15 5.0 JULY	99 22/32	+4/32	4.49	5.33%	4.00
GNMAI130 6.0 JULY	100 23/32	+2/32	3.40	6.06%	3.03

Treasuries	Current Price	Change	Dur	Yld	Vol
5yr Treasury	100 0/32	+1/32	4.41	4.24	4.24
10yr Treasury	100 22/32	+3/32	8.00	4.29	7.29
30yr Treasury	102 7/32	+2/32	16.78	4.49	15.00

Stocks	Current Price	% Change	Commodities	Current Price	Change
Dow	39,721.36	+1.09%	Dollar	\$105.01	-0.12%
S&P 500	5,633.91	+1.02%	Gold	\$2,377.90	+0.42%
Nasdaq	18,647.45	+1.18%	Crude Oil	\$82.41	+1.23%

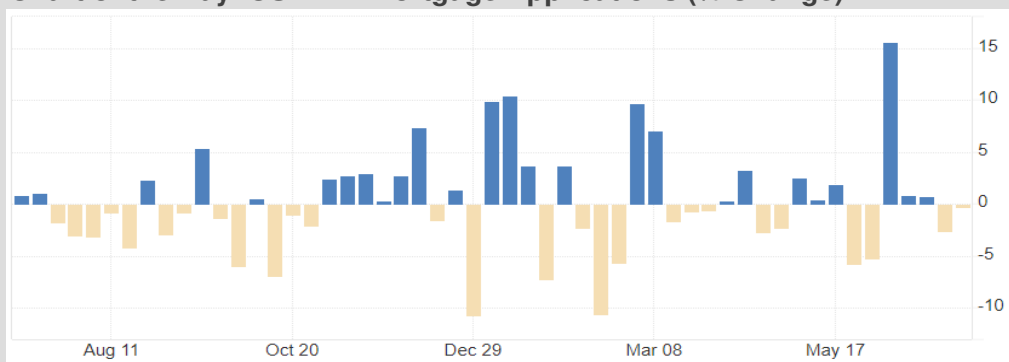
### Economic Commentary

MBS prices are up about 2/32 this morning while the DOW is up about 400 points as Jerome Powell's remarks on Capitol Hill buoyed rate-cut hopes and Big Tech stocks piled on the gains. In his semiannual testimony to Congress, Powell hinted the stage is almost set for lowering interest rates from two-decade highs, pointing to a cooling in inflation and in the jobs market. He also cautioned that keeping rates elevated for too long could weaken the economy, giving hope to rate-cut-hungry investors. But a key test for stocks and rate-easing prospects lies ahead in the crucial consumer inflation report due out tomorrow. While a cooler reading will cement the likelihood of a Fed policy shift in September, a too-cool print could revive concerns about a recession and the labor market. Mortgage applications in the US eased by 0.2% in the first week of July, loosely holding the 2.6% drop from the final week of June, according to data compiled by the MBA. Mortgage demand held broadly unchanged as the average rate on 30-year mortgages held at the 7% threshold for a second consecutive week. Applications to refinance a mortgage, which are more sensitive to short-term changes in benchmark rates, fell by 2% from the previous week to mark the fourth consecutive drop. On the other hand, applications for mortgages to purchase a new home edged higher by 1%.

### Economic Calendar

	PERIOD	ACTUAL	FORECAST	PREVIOUS
<b>WEDNESDAY, JULY 10</b>				
Wholesale inventories	May	0.6%	0.6%	0.20%
<b>THURSDAY, JULY 11</b>				
Initial jobless claims	6-Jul	Waiting for Results	--	238,000
Consumer price index	June	Waiting for Results	--	0.00%
CPI year over year	2023-2024	Waiting for Results	--	3.30%
Core CPI	June	Waiting for Results	--	0.20%
Core CPI year over year	2023-2024	Waiting for Results	--	3.40%
Monthly U.S. federal budget	June	Waiting for Results	--	--
<b>FRIDAY, JULY 12</b>				
Producer price index	June	Waiting for Results	--	-0.20%
PPI year over year	2023-2024	Waiting for Results	--	2.20%
Core PPI	June	Waiting for Results	--	0.00%
Core PPI year over year	2023-2024	Waiting for Results	--	3.20%
Consumer sentiment (prelim)	July	Waiting for Results	--	68.20
<b>MONDAY, JULY 15</b>				
Empire State manufacturing survey	July	Waiting for Results	--	-0.60%
Fed Chairman Powell speaks				

### Chart of the Day: US MBA Mortgage Applications (% Change)



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

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