



Calibrate | Focus | Execute

Market Conditions

July 15, 2024

| MBS | Current Price | Change | OAS Dur | OAS Yld | Vol |
|------------------|---------------|--------|---------|---------|------|
| FNMA30 6.0 AUG | 101 3/32 | -1/32 | 4.21 | 5.88% | 3.56 |
| FNMA15 5.0 AUG | 99 31/32 | -1/32 | 4.51 | 5.27% | 3.81 |
| GNMAII30 6.0 AUG | 100 28/32 | -1/32 | 3.40 | 6.01% | 2.87 |

| Treasuries | Current Price | Change | Dur | Yld | Vol |
|---------------|---------------|--------|-------|------|-------|
| 5yr Treasury | 100 18/32 | -2/32 | 4.41 | 4.12 | 4.04 |
| 10yr Treasury | 101 8/32 | -8/32 | 8.00 | 4.22 | 6.93 |
| 30yr Treasury | 103 1/32 | -24/32 | 16.78 | 4.44 | 14.26 |

| Stocks | Current Price | % Change | Commodities | Current Price | Change |
|---------|---------------|----------|-------------|---------------|--------|
| Dow | 40,232.60 | +0.54% | Dollar | \$104.18 | +0.08% |
| S&P 500 | 5,645.44 | +0.48% | Gold | \$2,438.60 | 0.75% |
| Nasdaq | 18,503.01 | +0.57% | Crude Oil | \$82.14 | -0.07% |

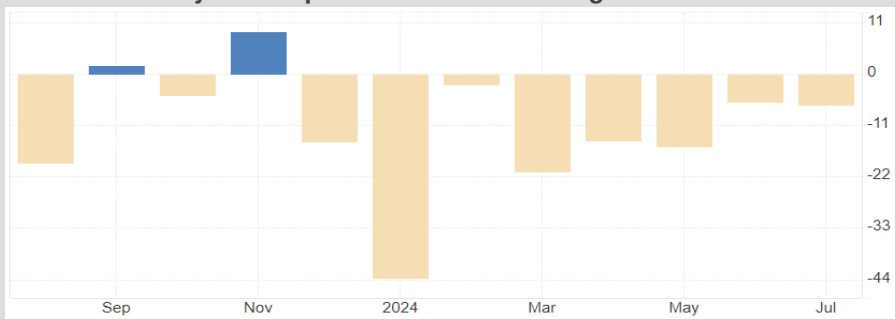
Economic Commentary

MBS prices are down about 1/32 this morning while the DOW is up about 200 points as investors weighed the market impact of an assassination attempt on presidential candidate Donald Trump that overshadowed the return of earnings season. Stocks are poised to build on a roaring rally after second-quarter results from more big US banks rolled in. Goldman Sachs reported a profit surge of 150% amid investment banking strength, a sign that Wall Street is rebounding from a two-year drought. BlackRock profit beat estimates as assets under management hit a record of \$10.6 trillion. But the market was focused on the potential fallout from the apparent bid to assassinate Trump at a rally on Saturday. Bets ramped up on a win in November's presidential election for the Republican front-runner, seen as likely to cut taxes, raise trade tariffs and ease up on regulation. Investors will listen closely to Jerome Powell's comments for hints to the Federal Reserve chair's view of the latest data at an event in Washington today. Several Fed speakers are on this week's docket who could dent or cement optimism for interest-rate cuts. Today's lone economic report showed that the NY Empire State Manufacturing Index declined to -6.6 in July 2024, slightly below market expectations of -6. New orders remained stable, while shipments saw a slight increase. Delivery times improved and supply availability stayed the same. Inventories decreased, reflecting ongoing challenges. The labor market remained weak, with employment on the decline. Input prices rose modestly, while selling prices saw only minor increases. Despite current conditions, firms expressed optimism for future improvement. Richard Deitz, Economic Research Advisor at the New York Fed, noted that manufacturing in the state showed sluggishness in July, yet there were positive signs with steady orders and increased shipments. However, challenges persisted with weak employment and capital spending plans. Despite this, there was optimism for better conditions ahead.

Economic Calendar

| | PERIOD | ACTUAL | FORECAST | PREVIOUS |
|---|--------|---------------------|----------|--------------|
| MONDAY, JULY 15 | | | | |
| Empire State manufacturing survey | July | -6.60 | -6.00 | -6.00 |
| Fed Chairman Powell speaks | | | | |
| TUESDAY, JULY 16 | | | | |
| U.S. retail sales | June | Waiting for Results | -- | 0.10% |
| Retail sales minus autos | June | Waiting for Results | -- | -0.10% |
| Import price index | June | Waiting for Results | -- | -0.40% |
| Import price index minus fuel | June | Waiting for Results | -- | -0.30% |
| Business inventories | May | Waiting for Results | -- | 0.30% |
| Home builder confidence index | July | Waiting for Results | -- | 43.00 |
| Fed Gov. Kugler speaks | | | | |
| WEDNESDAY, JULY 17 | | | | |
| Housing starts | June | Waiting for Results | -- | 1.28 million |
| Building permits | June | Waiting for Results | -- | 1.39 million |
| Industrial production | June | Waiting for Results | -- | 0.90% |
| Capacity utilization | June | Waiting for Results | -- | 78.70% |
| Fed Beige Book | | | | |
| THURSDAY, JULY 18 | | | | |
| Initial jobless claims | 13-Jul | Waiting for Results | -- | 222,000 |
| Philadelphia Fed manufacturing survey | July | Waiting for Results | -- | 130.00% |
| U.S. leading economic indicators | June | Waiting for Results | -- | 0.50% |
| FRIDAY, JULY 19 | | | | |
| NY Fed President Williams speaks | | | | |
| Atl Fed President Raphael Bostic speaks | | | | |

Chart of the Day: NY Empire State Manufacturing Index



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