



Calibrate | Focus | Execute

Market Conditions

July 16, 2024

MBS	Current Price	Change	OAS Dur	OAS Yld	Vol
FNMA30 6.0 AUG	100 31/32	-1/32	4.21	5.88%	3.56
FNMA15 5.0 AUG	99 28/32	-1/32	4.51	5.27%	3.81
GNMAII30 6.0 AUG	100 25/32	-1/32	3.40	6.01%	2.87

Treasuries	Current Price	Change	Dur	Yld	Vol
5yr Treasury	100 17/32	+1/32	4.41	4.12	4.04
10yr Treasury	101 11/32	+7/32	8.00	4.22	6.93
30yr Treasury	103 3/32	+23/32	16.78	4.44	14.26

Stocks	Current Price	% Change	Commodities	Current Price	Change
Dow	40,760.98	+1.34%	Dollar	\$104.18	+0.08%
S&P 500	5,645.23	+0.21%	Gold	\$2,449.70	0.86%
Nasdaq	18,432.55	-0.23%	Crude Oil	\$80.56	-1.64%

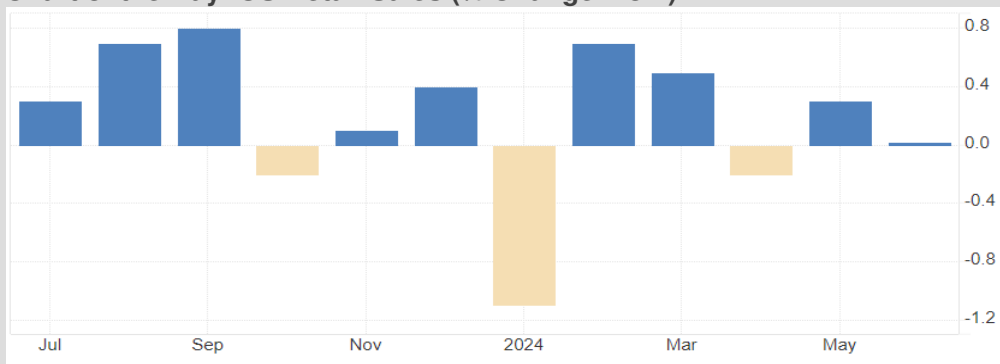
Economic Commentary

MBS prices are down about 1/32 this morning while the DOW is up about 550 points as investors assessed big bank earnings and a retail sales surprise amid growing conviction an interest-rate cut is near. Earnings season picked up pace before the bell, with Bank of America and Morgan Stanley the latest to report. BofA quarterly profit fell but beat estimates, while MS profit jumped, both offering signs of an investment banking revival. More broadly, stocks are holding onto gains after chair Jerome Powell signaled the Federal Reserve is gearing up to start lowering rates soon, given recent solid inflation prints. Retail sales came in flat but better than expected in June, data out this morning showed, adding to the easing in price pressures that have boosted faith in a September cut, a prospect that has already wakened wider bullishness for stocks beyond techs. Traders were pricing in a 100% likelihood the Fed will bring down borrowing costs that month, according to CME FedWatch data.

Economic Calendar

	PERIOD	ACTUAL	FORECAST	PREVIOUS
TUESDAY, JULY 16				
U.S. retail sales	June	0.00%	-0.30%	0.30%
Retail sales minus autos	June	0.80%	0.20%	0.30%
Import price index	June	0.00%	0.20%	-0.20%
Import price index minus fuel	June	0.20%	0.20%	-0.30%
Business inventories	May	0.50%	0.40%	0.30%
Home builder confidence index	July	42.00	43.00	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: US Retail Sales (% Change MoM)



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