



Calibrate | Focus | Execute

Market Conditions

November 26, 2024

MBS	Current Price	Change	OAS Dur	OAS Yld	Vol
FNMA30 6.0 DEC	100 26/32	-3/32	3.66	5.85%	2.83
FNMA15 5.5 DEC	100 23/32	-5/32	4.55	5.00%	3.51
GNMAI30 6.0 DEC	100 24/32	-3/32	3.34	6.00%	2.58

Treasuries	Current Price	Change	Dur	Yld	Vol
5yr Treasury	99 20/32	-4/32	4.48	4.21	3.74
10yr Treasury	99 17/32	-7/32	7.78	4.31	6.17
30yr Treasury	100 9/32	-8/32	15.76	4.49	12.24

Stocks	Current Price	% Change	Commodities	Current Price	Change
Dow	44,633.19	-0.24%	Dollar	\$107.07	+0.25%
S&P 500	6,004.66	+0.28%	Gold	\$2,626.50	+0.31%
Nasdaq	19,132.61	+0.41%	Crude Oil	\$68.72	-0.28%

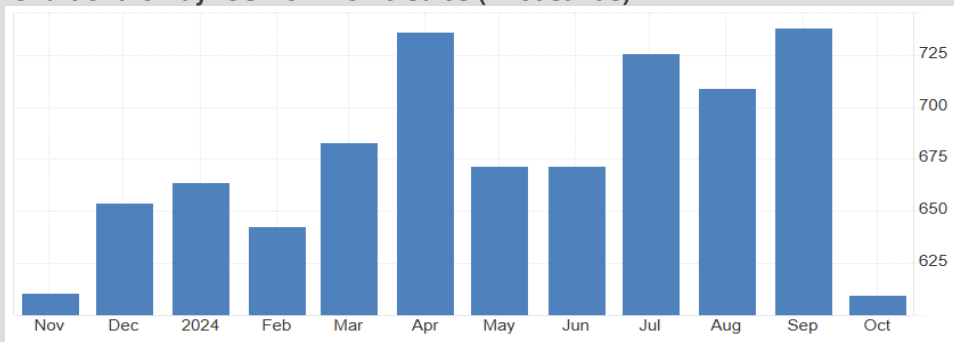
Economic Commentary

MBS prices are down about 3/32 this morning while the DOW is down about 130 points after mostly shrugging off President-elect Donald Trump's threat to impose fresh tariffs on China, Canada, and Mexico. Markets were initially caught off guard by Trump's pledge late Monday to slap big tariffs on the US's biggest trading partners on his first day in office. His comments fired up trade war fears and dented Wall Street's hopes that Treasury Secretary nominee Scott Bessent would rein in any extreme moves by the new administration. The release of Fed minutes later today will be scoured for clues to the depth and pace of interest rate cuts in the coming year. Several policymakers have flagged they're expecting to move more slowly than previously planned. The minutes will set the stage for the October reading of the Personal Consumption Expenditures (PCE) index, the Fed's preferred inflation gauge tomorrow. Today's economic reports showed that new home sales declined 17.3% month-over-month in October to a seasonally adjusted annual rate of 610,000 units (Briefing.com consensus 718,000) from an unrevised 738,000 in September. On a year-over-year basis, new home sales were down 9.4%. The key takeaway from the report is that new home sales, which are tabulated when contracts are signed, dropped sharply in October as mortgage rates rose sharply in the wake of the Fed's first rate cut in September. The effects of the hurricanes were also likely to blame for the extra weakness seen in the South, which is the nation's biggest region for new home sales. The Conference Board's Consumer Confidence Index jumped to 111.7 in November (Briefing.com consensus 113.0) from an upwardly revised 109.6 (from 108.7) in October. The cutoff date for responses was November 18, so after the election. The key takeaway from the report is that consumers' view of the present situation picked up nicely, particularly as it relates to the labor market. That is noteworthy because, if consumers feel good about job security and/or their ability to find a new job, they are apt to keep spending freely on discretionary goods/services.

Economic Calendar

	PERIOD	ACTUAL	FORECAST	PREVIOUS
TUESDAY, NOV. 26				
Case-Shiller home price index (20 cities)	Sept.	4.60%	4.80%	5.20%
Consumer confidence	Nov.	111.70	111.00	108.70
New home sales	Oct.	610,000.00	718,000	738,000
Minutes of Fed's May FOMC meeting				
WEDNESDAY, NOV. 27				
Initial jobless claims	Nov. 23	Waiting For Results	--	213,000
Durable-goods orders	Oct.	Waiting For Results	--	-0.70%
Durable-goods minus transportation	Oct.	Waiting For Results	--	0.40%
Advanced U.S. trade balance in goods	Oct.	Waiting For Results	--	-\$108.7B
Advanced retail inventories	Oct.	Waiting For Results	--	0.80%
Advanced wholesale inventories	Oct.	Waiting For Results	--	-0.20%
GDP (first revision)	Q3	Waiting For Results	--	2.80%
Personal income (nominal)	Oct.	Waiting For Results	--	0.30%
Personal spending (nominal)	Oct.	Waiting For Results	--	0.50%
PCE index	Oct.	Waiting For Results	--	0.20%
PCE (year-over-year)	0-Jan	Waiting For Results	--	2.10%
Core PCE index	Oct.	Waiting For Results	--	0.30%
Core PCE (year-over-year)	0-Jan	Waiting For Results	--	2.70%
Pending home sales	Oct.	Waiting For Results	--	7.40%
THURSDAY, NOV. 28				
Thanksgiving holiday				
FRIDAY, NOV. 29				
Chicago Business Barometer (PMI)	Nov.	Waiting For Results	--	41.60

Chart of the Day: US New Home Sales (Thousands)



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

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