



Calibrate | Focus | Execute

Market Conditions

January 23, 2025

MBS	Current Price	Change	OAS Dur	OAS Yld	Vol
FNMA30 6.0 FEB	100 10/32	-2/32	3.48	5.87%	2.57
FNMA15 5.5 FEB	100 15/32	-8/32	4.50	5.09%	3.33
GNMAI30 6.0 FEB	100 16/32	-2/32	2.72	5.97%	2.02

Treasuries	Current Price	Change	Dur	Yld	Vol
5yr Treasury	99 20/32	-2/32	4.44	4.47	3.57
10yr Treasury	96 27/32	-8/32	7.76	4.66	5.91
30yr Treasury	94 4/32	-23/32	15.37	4.88	11.45

Stocks	Current Price	% Change	Commodities	Current Price	Change
Dow	44,345.11	+0.41%	Dollar	\$108.31	+0.13%
S&P 500	6,091.71	+0.08%	Gold	\$2,753.40	-0.64%
Nasdaq	19,956.31	-0.27%	Crude Oil	\$75.80	+0.38%

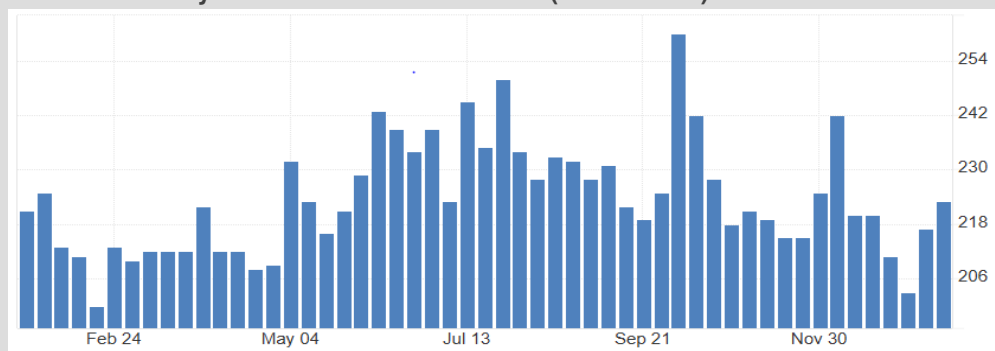
Economic Commentary

MBS prices are down about 2/32 this morning while the DOW is up about 180 points as AI optimism waned and markets waited for more detail on President Donald Trump's tariff plans. Investors are still digesting Trump's early-days policy charge, which brought an AI push that invigorated tech names but left unclear when the outlined tariffs on big trading partners, a risk for inflation and stocks, might hit. The focus is now on Trump's remote speech at the World Economic Forum in Davos for more insight into his trade policy. Eyes are on earnings to potentially buoy markets, after Netflix set that tone on Wednesday. GE Aerospace shares popped after the jet engine maker said it will raise share buybacks to \$7 billion. In air carriers, American Airlines stock slid after a downbeat 2025 profit forecast, and Alaska Airlines shares rose thanks to a smaller-than-expected first quarter loss forecast. Today's lone economic report showed that initial jobless claims for the week ending January 18 increased by 6,000 to 223,000 (Briefing.com consensus 219,000) while continuing jobless claims for the week ending January 11 jumped by 46,000 to 1.899 million, the highest level since November 13, 2021. The key takeaway from the report is the elevated level of continuing jobless claims, which connotes some increasing challenges in finding new employment after being laid off.

Economic Calendar

	PERIOD	ACTUAL	FORECAST	PREVIOUS
THURSDAY, JAN. 23				
Initial jobless claims	Jan. 18	223,000	219,000	217,000
FRIDAY, JAN. 24				
Existing home sales	Dec.	Waiting for Results	4.2 million	4.15 million
Consumer sentiment (final)	Jan.	Waiting for Results	73.20	73.20
S&P flash U.S. services PMI	Jan.	Waiting for Results	56.50	56.80
S&P flash U.S. manufacturing PMI	Jan.	Waiting for Results	49.70	49.40
MONDAY, JAN. 27				
New home sales	Dec.	Waiting for Results	--	664,000
TUESDAY, JAN. 28				
Durable-goods orders	Dec.	Waiting for Results	--	-1.10%
Durable-goods minus transportation	Dec.	Waiting for Results	--	-0.10%
Case-Shiller home price index (20 cities)	Nov.	Waiting for Results	--	4.20%
Consumer confidence	Jan.	Waiting for Results	--	104.70
WEDNESDAY, JAN. 29				
Advanced U.S. trade balance in goods	Dec.	Waiting for Results	--	0.00%
Advanced retail inventories	Dec.	Waiting for Results	--	0.30%
Advanced wholesale inventories	Dec.	Waiting for Results	--	-0.20%
FOMC interest-rate decision				
Fed Chair Powell press conference				
THURSDAY, JAN. 30				
GDP	Q1	Waiting for Results	--	3.10%
Initial jobless claims	Jan. 25	Waiting for Results	--	223,000
Pending home sales	Dec.	Waiting for Results	--	2.20%

Chart of the Day: US Initial Jobless Claims (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