



Calibrate | Focus | Execute

**Market Conditions**

April 9, 2025

MBS	Current Price	Change	OAS Dur	OAS Yld	Vol
FNMA30 5.5 APR	98 14/32	-22/32	4.07	5.85%	3.09
FNMA15 5.0 APR	99 25/32	-10/32	4.50	5.07%	3.41
GNMA130 5.5 APR	98 26/32	-22/32	3.08	5.88%	2.34

Treasuries	Current Price	Change	Dur	Yld	Vol
5yr Treasury	99 24/32	-19/32	4.50	4.05	3.74
10yr Treasury	102 1/32	-18/32	8.14	4.44	6.35
30yr Treasury	95 23/32	-1 31/32	16.07	4.90	12.27

Stocks	Current Price	% Change	Commodities	Current Price	Change
Dow	37,957.51	+0.68%	Dollar	\$102.51	-0.43%
S&P 500	5,030.17	+1.02%	Gold	\$3,108.80	+3.97%
Nasdaq	15,559.54	+1.97%	Crude Oil	\$57.79	-2.75%

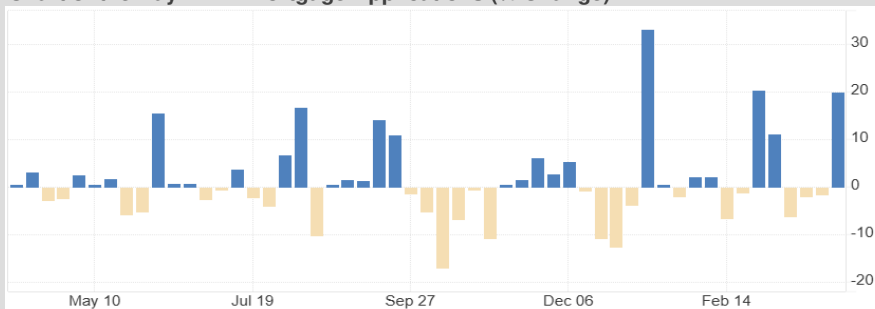
**Economic Commentary**

MBS prices are down about 22/32 this morning while the DOW is up about 270 points as Wall Street assessed the prospects for trade war after China struck back with an 84% tariff on US goods. Meanwhile, the benchmark 10-year Treasury yield continued a recent surge, moving up near 4.5% before paring those gains. The 10-year has seen its largest three-day jump since 2001. China retaliated this morning after the Trump administration delivered on its threat to impose whopping 104% duties on its exports to the US. After a delay in responding that markets hoped showed signs of restraint, Beijing said the hike to 84% duties will take effect on tomorrow, reports said. The move marks another escalation in the tensions between the world's two biggest trading powers, which has roiled markets as worries about the fallout for economies worldwide. On Tuesday, China vowed to "fight to the end," a retaliatory stance that the White House described as "a mistake." Investors took in some other signs of optimism, after Treasury Secretary Scott Bessent said he believed "we can end up with some good deals." Japan and South Korea are in line for trade talks. Today's lone economic report showed that the total value of goods held in inventory by wholesalers, also known as Wholesale Inventories, has recorded a growth of 0.3%. This figure is in line with the economic forecast and indicates a stable market condition. Mortgage application volumes in the US surged by 20% from the previous week in the first week of April, more than erasing the three consecutive declines from the previous periods, according to data compiled by the Mortgage Bankers Association. The surge was in line with the 9bps drop in benchmark mortgage rates, tracking the drop in long-dated Treasuries and MBS as signs of a trade war between the US and major trading partners triggered a flight to fixed income in the period. Applications for a contract to refinance a mortgage, which are more sensitive to short-term changes in interest rates, surged by 35%. In turn, applications for a mortgage to purchase a home rose by 9%.

**Economic Calendar**

	PERIOD	ACTUAL	FORECAST	PREVIOUS
<b>WEDNESDAY, APRIL 9</b>				
Wholesale inventories	Feb.	0.30%	0.40%	0.80%
Minutes of Fed's March FOMC meeting				
<b>THURSDAY, APRIL 10</b>				
Initial jobless claims	5-Apr	Waiting for Results	223,000	219,000
Consumer price index	March	0.10%	0.10%	0.20%
CPI year over year	2024-2025	2.80%	2.80%	2.80%
Core CPI	March	0.20%	0.20%	0.20%
Core CPI year over year	2024-2025	3.00%	3.10%	3.10%
Monthly U.S. federal budget	March	-\$115B	\$236B	\$236B
<b>FRIDAY, APRIL 11</b>				
Producer price index	March	0.20%	0.20%	0.00%
Core PPI	March	0.30%	0.30%	0.20%
PPI year over year	2024-2025	--	3.20%	3.20%
Core PPI year over year	2024-2025	--	3.30%	3.30%
Consumer sentiment (prelim)	April	55.00	57.00	57.00
<b>MONDAY, APRIL 14</b>				
None Scheduled				
<b>TUESDAY, APRIL 15</b>				
Import price index	March	0.40%	--	0.40%
Import price index minus fuel	March	0.30%	--	0.30%
Empire State manufacturing survey	April	-20.00	--	-20.00
<b>WEDNESDAY, APRIL 16</b>				
U.S. retail sales	March	0.20%	--	0.20%
Retail sales minus autos	March	--	--	--
Industrial production	March	0.70%	--	0.70%
Capacity utilization	March	78.20%	--	78.20%
Business inventories	Feb.	0.30%	--	0.30%
Home builder confidence index	April	39.00	--	39.00
<b>THURSDAY, APRIL 17</b>				
Initial jobless claims	12-Apr	--	--	--
Housing starts	March	1.5 million	--	1.5 million
Building permits	March	1.46 million	--	1.46 million
Philly Fed manufacturing survey	April	12.50	--	12.50
<b>FRIDAY, APRIL 18</b>				
None Scheduled				

**Chart of the Day: 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, tainedalpha.com, options express, yahoo finance, eslimize.com, stockcharts.com, tradingeconomics.com, investing.com