

**Wednesday**  
**September 28, 2022**

**Current Conditions**

(MBS Quoted in 32nds)

FNMA 6.0 NOV: 100-30+ (+30.5)

GNII 6.0 NOV: 99-31+ (+26.5)

10YR UST: 3.85 (-.09)

VIX: 33.54 (+.94)

Volatility Rating: **High**

**Quote of the Day**

"If you're going through hell, keep going."

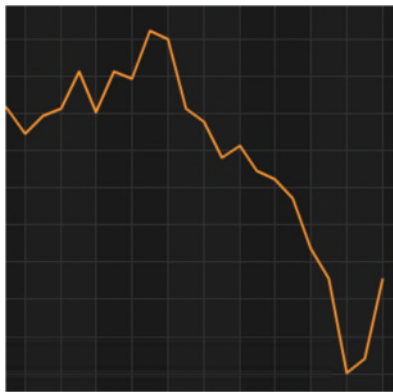
- Winston Churchill

**No Par Rates; Apps Dip; Trade Deficit; Fed Speak**

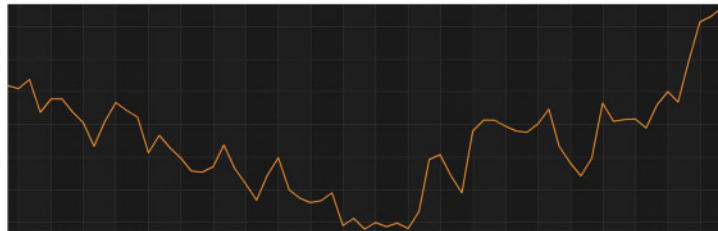


To recap from yesterday, we have seen near 350bps in movement over the last 10 days. The rapid rise in rates leaves you nothing to offer at or above par until higher coupons open up in the stack. It is not something that happens quickly by the way, but we are all in the same boat here. Mortgage applications dipped 3.7% compared to the week prior to no surprise. Pending home sales are due out in a little bit and are expected to decrease 0.5%, keeping them down 23% YoY. In addition to that, we have more Fed speak today from 4 members, including Powell once again. Lastly, the goods trade deficit narrowed by 3.2% last month with the decrease in imports. Domestic demand is on the decline with the Fed tightening up to tame inflation. The screens are green this morning, and it's National Drink Beer Day, so it's not all doom and gloom my friends. Stay thirsty.

FNMA 6.0 Coupon, 30 Days



Volatility, 3 Months



**ECONOMIC CALENDAR**

Wednesday September 28 2022						
			Actual	Previous	Consensus	Forecast
07:30 AM	US	Wholesale Inventories MoM Adv AUG	1.3%	0.6%		0.3%
07:30 AM	US	Goods Trade Balance Adv AUG	\$-87.3B	\$-90.19B		\$-85B
07:30 AM	US	Retail Inventories Ex Autos MoM Adv AUG	0.6%	0.3%		0.1%
07:35 AM	US	Fed Bostic Speech				
09:00 AM	US	Pending Home Sales MoM AUG		-1%	-1.4%	-0.5%
09:00 AM	US	Pending Home Sales YoY AUG		-19.9%		-23%
09:10 AM	US	Fed Bullard Speech				
09:15 AM	US	Fed Chair Powell Speech				
09:30 AM	US	EIA Gasoline Stocks Change 23/SEP		1.569M	0.709M	
09:30 AM	US	EIA Crude Oil Stocks Change 23/SEP		1.142M	0.443M	
10:00 AM	US	Fed Bowman Speech				
01:00 PM	US	Fed Evans Speech				
Thursday September 29 2022						
			Actual	Previous	Consensus	Forecast
07:30 AM	US	GDP Price Index QoQ Final Q2		8.3%	8.9%	9%
07:30 AM	US	GDP Growth Rate QoQ Final Q2		-1.6%	-0.6%	-0.6%
07:30 AM	US	Initial Jobless Claims 24/SEP		213K	215K	216K
08:30 AM	US	Fed Bullard Speech				
12:00 PM	US	Fed Lane Speech				
12:00 PM	US	Fed Mester Speech				
03:45 PM	US	Fed Daly Speech				
Friday September 30 2022						
			Actual	Previous	Consensus	Forecast
07:30 AM	US	Personal Spending MoM AUG		0.1%	0.2%	0.2%
07:30 AM	US	Personal Income MoM AUG		0.2%	0.3%	0.2%
07:30 AM	US	PCE Price Index MoM AUG		-0.1%		0.1%
07:30 AM	US	PCE Price Index YoY AUG		6.3%		6.2%
07:30 AM	US	Fed Barkin Speech				
08:00 AM	US	Fed Mester Speech				
08:00 AM	US	Fed Williams Speech				
08:00 AM	US	Fed Brainard Speech				
08:45 AM	US	Chicago PMI SEP		52.2	51.8	52
09:00 AM	US	Michigan Consumer Sentiment Final SEP		58.2	59.5	59.5
10:00 AM	US	Fed Bowman Speech				
03:15 PM	US	Fed Williams Speech				

**Facts About The Texas State Fair**

1. Big Tex, the 55 foot cowboy welcomes over 2 million people through the gates of The State Fair every year, except 2012 when he caught fire.
2. Approximately 525,000 Fletcher's Corny Dogs are served over the 24 day run.
3. The Budweiser Clydesdales will consume about 9,600lbs of hay during the fair season.
4. Elvis performed at the Texas State Fair in 1950, and The Beatles performed in 1964.
5. The State Fair of Texas opened in 1886, and is the longest running fair in the US.