

WEEKLY MARKET UPDATES

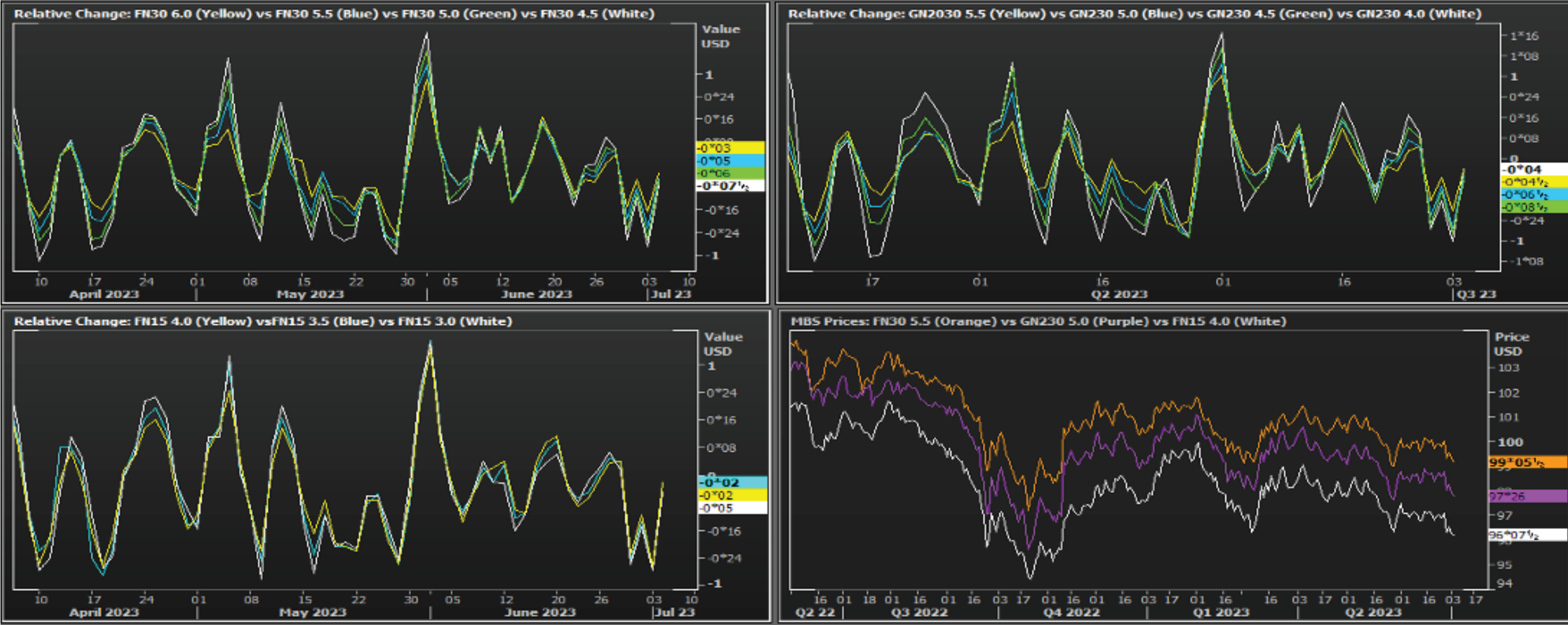
COMMENTARY FROM THE DENVER DESK...

After a quiet start to the week around the Independence Day holiday, most folks headed back to their desks Wednesday to face a relatively dense data release schedule the remainder of the week. Minutes from the latest FOMC meeting are due out Wednesday afternoon; a release that has had an outsized impact in recent months as the rhetoric around rate expectations for the remainder of the year have shifted. The rest of the week is heavy on employment datapoints with Thursday seeing ADP employment and initial jobless claim numbers. Early Friday morning brings the most-watched metric with non-farm out at 8:30 AM EST. The expectation shows growth in the job market having continued in June.

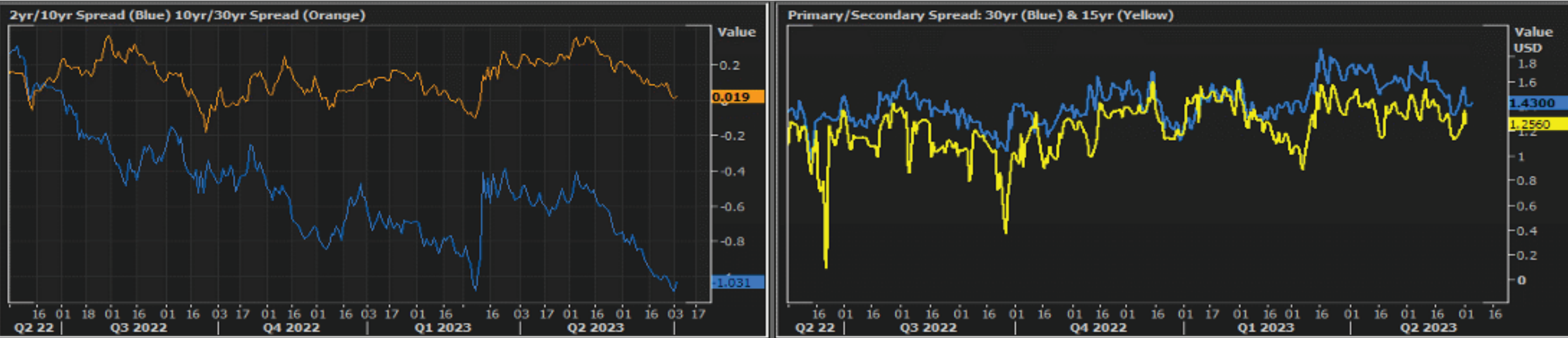
Gross issuance of new mortgage-backed securities came in at \$103.8 billion in June. This was up 12.9% from May - an expected increase as the spring and early summer markets came into effect across the nation. The majority of this issuance was in UMBS 30 (\$62.9 billion) and GN2 30 (\$36.2 billion). This level of issuance is in line with levels seen pre-pandemic in 2017 and 2018 despite the higher financing costs seen in today's markets.

MARKET INDICATORS

BENCHMARK	FN30 CURRENT CPN	FN30 5.5	FN15 5.0	GNI130 5.5	OBMMI 30-YR RATE
ONE WEEK AGO	5.695	99 25/32	99 17/32	99 25/32	6.69
CURRENT	5.794	99 5/32	99	99 7/32	6.785
DELTA	0.099	-0.625	-0.531	-0.563	0.095



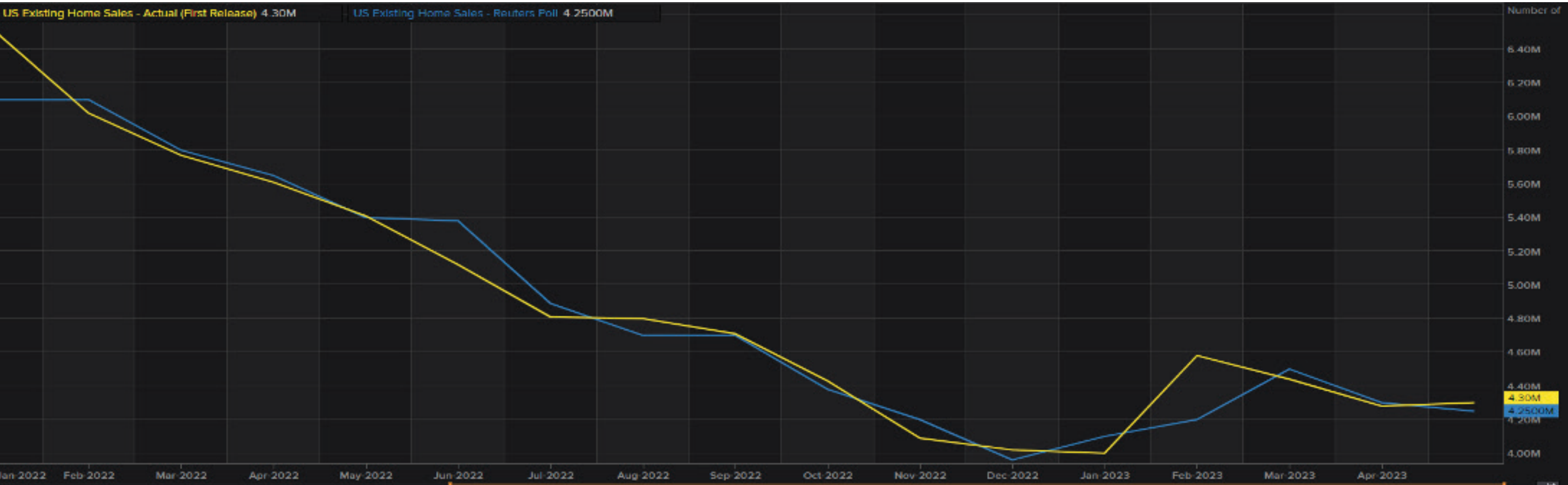
BENCHMARK	SOFR	UST 2-YR. YIELD	UST 10-YR. YIELD	UST 30-YR. YIELD	10-YR./30-YR. SPREAD
ONE WEEK AGO	5.050	4.753	3.764	3.837	0.073
CURRENT	5.060	4.915	3.882	3.901	0.019
DELTA	-0.010	0.162	0.118	0.064	-0.054



– Prices/Yields are current as of 10:15am EST on July 4, 2023 –

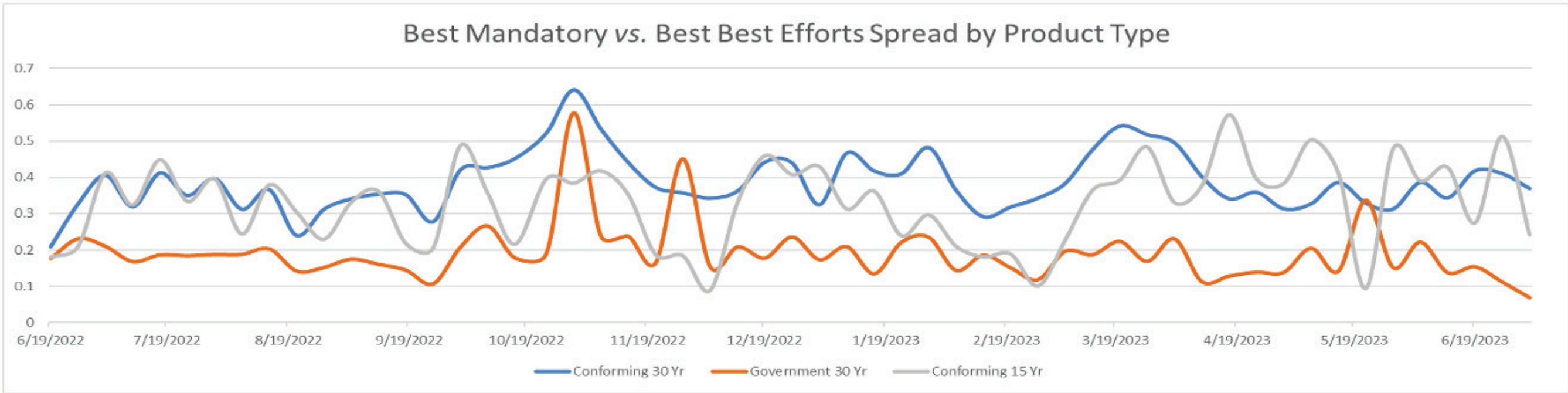
ECONOMIC DATA

Existing Home Sales	May	April	March	3-MO Moving Average	1-YR Moving Average
ACTUAL	4,300,000	4,280,000	4,440,000	4,340,000	4,484,167
EXPECTED	4,250,000	4,300,000	4,500,000		
CHANGE	20,000	(160,000)	(140,000)		



BEST EFFORTS – MANDATORY SPREAD INDEX

	Conforming 30-Year	Government 30-Year	Conforming 15-Year
Weekly	0.370	0.069	0.242
30 days	0.386	0.118	0.364
90 days	0.362	0.157	0.390
1 year	0.393	0.191	0.329



LIGHT READING

[Wall Street Journal: Rebound in Rates Puts Pressure on Banks](#)

ECONOMIC CALENDAR: DATA and EVENTS

TIME (ET)	REPORT	PERIOD	ACTUAL	MEDIAN FORECAST	PREVIOUS
WEDNESDAY, JULY 5					
10:00 AM	Factory orders	May		0.60%	0.40%
2:00 PM	Minutes of Fed's June FOMC meeting				
4:00 PM	New York Fed President Williams speaks				
THURSDAY, JULY 6					
8:15 AM	ADP employment	June	220,000	278,000	
8:30 AM	Initial jobless claims	1-Jul	245,000	239,000	
8:30 AM	U.S. trade deficit	May	-\$68.9B	-\$74.6B	
10:00 AM	Job openings	May	10 million	10.1 million	
9:45 AM	S&P flash U.S. services PMI		5410.00%	5410.00%	
10:00 AM	ISM services	June	51.30%	50.30%	
FRIDAY, JULY 7					
8:30 AM	U.S. nonfarm payroll	June		245,000	339,000
8:30 AM	U.S. unemployment rate	June	3.60%	3.70%	
8:30 AM	U.S. hourly wages	June		0.30%	0.30%
8:30 AM	Hourly wages year over year			4.20%	4.30%
MONDAY, JULY 10					
8:30 AM	Empire State manufacturing survey	July		6.60	
TUESDAY, JULY 11					
8:30 AM	U.S. retail sales	June		0.30%	
8:30 AM	Retail sales minus autos	June		0.10%	
9:15 AM	Industrial production	June		-0.20%	
9:15 AM	Capacity utilization	June		79.60%	
10:00 AM	Business inventories	May		0.20%	
10:00 AM	Home builder confidence index	June		55.00	