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### UPCOMING EVENTS

#### Banks

##### Webinar:

2nd Q Bank Trends

Aug 16, 2023

##### Seminar:

Stevens Point, WI

Aug 29, 2023

Findlay, OH

Oct 4, 2023

Oklahoma City, OK

Oct 18-20, 2023

Minneapolis, MN

Dec 5, 2023

#### Credit Unions

##### CU School:

CU ALM School

Aug 23-24, 2023

##### CU Seminar:

Philadelphia, PA

Sep 27, 2023

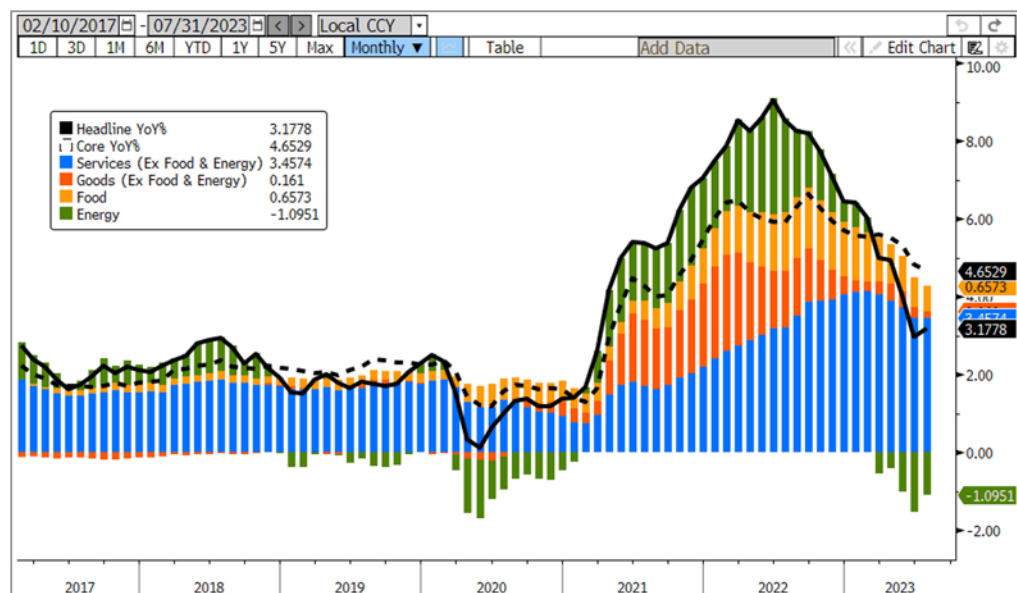
Dallas, TX

Nov 9, 2023

Bond and stock markets were jostled to a rude awakening after a sleepy weekend as a wave of bank downgrades on Monday rekindled jitters about the health of the US financial system. Moody's Investors Service cut credit ratings on 10 small and mid-sized lenders, citing stress from higher interest rates, a potential recession in 2024, and struggling commercial real estate assets. The agency also placed six very large banks, including Bank of New York Mellon, US Bancorp, State Street, and Truist Financial on review for potential downgrades.

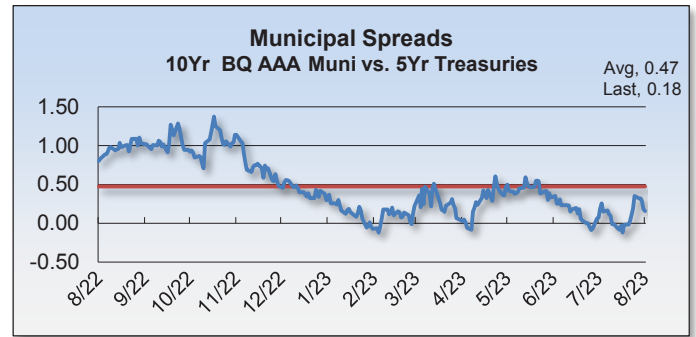
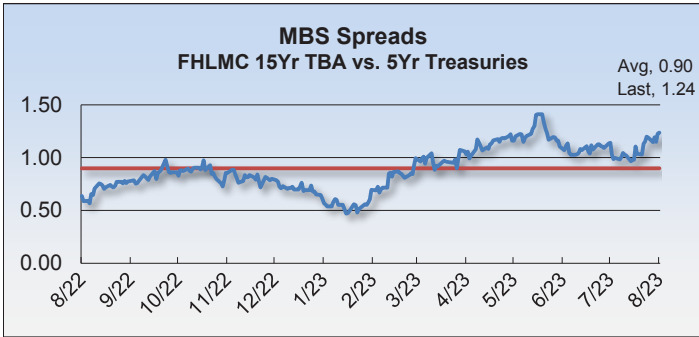
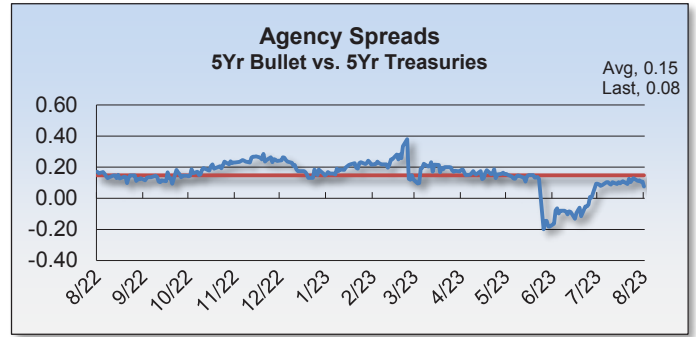
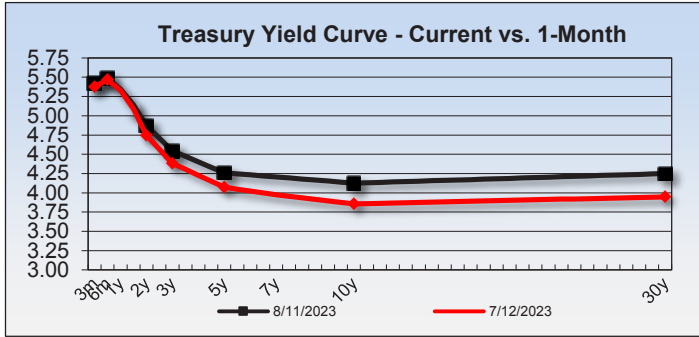
The warning flag from Moody's renewed focus on stress within the industry brought on by the rapid move higher in interest rates that has raised the cost of nearly every available funding source for financial institutions. There was a broad move to safety in the wake of the news and bond yields sank with the 10-year US Treasury falling 10 basis points and remaining volatile throughout the day.

The other key event for the week was Thursday's Consumer Price Index (CPI) report, which appeared to indicate the Fed may finally have the inflation situation under control. The index rose 3.2% YoY vs. 3.3% expected, which marked the smallest back-to-back increase in more than two years. Markets took this as a sign the Fed may be able to end its aggressive tightening campaign. Futures markets have now all but priced out the possibility of a rate hike in September. Bond yields fell yet again on the CPI news as well as a slightly elevated jobless claims report on Thursday as investors appear to believe the window to add higher yielding fixed assets on the books is closing.



Source: Bloomberg, L.P.

Next week, we will get retail sales and several different releases of housing data. Retail sales are expected to pick up a bit after declining more than expected in June. The housing numbers are expected to stay fairly flat for the month of July vs. June. Also of note next week are the FOMC minutes which come out on Wednesday and will add more insight to the monetary policy stances of the various members.



Treasury Market -- Historical						Fixed Rate Market										
Maty	Current	1Wk Change	Historical			Maty /AL	N-Call Agency	US Swap	AAA BQ Muni		Tax Muni	Agency Calls - Euro				
			1 Mo	6 Mo	1 Yr				C-Corp <sup>2</sup>	S-Corp <sup>3</sup>		Mty	3Mo	6mo	1Yr	2Yr
3mo	5.42	0.02	5.40	4.76	2.54	2yr	4.96	4.71	4.34	4.62	4.91	2Yr	5.67	5.67	5.67	-
6mo	5.48	0.03	5.51	4.92	3.03	3yr	4.62	4.33	4.10	4.37	4.77	3Yr	5.34	5.35	5.30	5.34
1yr	5.34	0.02	5.40	4.88	3.24	5yr	4.37	3.99	3.88	4.13	4.50	5Yr	5.14	5.14	5.13	5.07
2yr	4.87	0.10	4.88	4.52	3.22	7yr	4.38	3.87	3.72	3.96	4.64	7Yr	5.09	5.11	5.10	5.03
3yr	4.54	0.10	4.55	4.20	3.14	10yr	4.40	3.82	3.78	4.02	4.64	10Yr	5.05	5.11	5.10	5.04
5yr	4.26	0.13	4.23	3.92	2.99	15yr	4.41	3.82	4.52	4.81	4.84	September TBA MBS				
7yr	4.21	0.12	4.11	3.85	2.95	20yr	4.43	3.78	4.84	5.16	5.27	Cpn	15Yr -Yld/AL		30Yr -Yld/AL	
10yr	4.12	0.09	3.97	3.74	2.89	25yr	4.45	3.68	5.01	5.33	5.33	2.50	5.36	5.5y	4.89	
30yr	4.25	0.05	4.01	3.82	3.18	30yr	4.45	3.58	5.17	5.50	5.38	3.00	5.39	5.6y		
												3.50	5.15	5.6y	5.20	10.2y
												4.00	5.06	5.5y	5.25	10.1y
												4.50			5.39	9.9y
												5.00			5.57	9.2y

\* Interpolated

Key Market Indices					
Index	Current	1Wk Change	Historical		
			1 Mo	6 Mo	1 Yr
Fed Funds	5.50	--	5.25	4.75	2.50
Primary Discount	5.50	--	5.25	4.75	2.50
2ndary Discount	6.00	--	5.75	5.25	3.00
Prime Rate	8.50	--	8.25	7.75	5.50
Sec. O.N. Finance	5.30	--	5.06	4.55	--
1 Month LIBOR	5.43	(0.00)	5.29	4.57	2.38
3 Month LIBOR	5.63	(0.00)	5.56	4.87	2.92
6 Month LIBOR	5.85	(0.01)	5.84	5.11	3.55
1 Year LIBOR	6.04	0.12	5.73	5.48	3.62
6 Month CD	5.73	(0.00)	5.75	5.08	3.51
1 Year CMT	5.33	(0.04)	5.38	4.89	3.26
REPO O/N	5.33	--	5.13	4.58	2.30
REPO 1Wk	5.39	0.00	5.14	4.72	2.44
CoF Federal	3.544	--	3.460	2.794	1.283
11th D. CoF (Dec)	0.223	--	0.218	0.282	0.460

FHLB Fixed Advance Rates			
Maturity	Chicago	Boston	Topeka
3mo	5.52	5.61	5.57
6mo	5.60	5.63	5.65
1yr	5.48	5.45	5.60
2yr	5.04	4.99	5.05
3yr	4.74	4.67	4.68
4yr	4.60	4.54	4.51
5yr	4.49	4.45	4.39
7yr	4.64	4.62	4.55
10yr	4.73	4.76	4.67
5yr Am	4.15		4.70
10yr Am	4.21		4.69

Fed Fund Futures		
Maturity	Rate	
Aug-23	5.330	
Sep-23	5.335	
Oct-23	5.355	
Nov-23	5.420	
Dec-23	5.405	
Jan-24	5.390	
Feb-24	5.315	
Mar-24	5.265	
Apr-24	5.195	
May-24	5.050	
Jun-24	4.945	

Weekly Economic Calendar						
This Week & Next						
Date	Release	Per.	Est.	Actual	Prior	Revised
8/7	Consumer Credit	Jun	\$13.000b	\$17.847b	\$7.240b	\$9.457b
8/8	NFIB Small Business Optimism	Jul	91.3	91.9	91.0	--
8/8	Trade Balance	Jun	-\$65.0b	-\$65.5b	-\$69.0b	-\$68.3b
8/8	Wholesale Inventories MoM	Jun F	-0.3%	-0.5%	-0.3%	--
8/8	Wholesale Trade Sales MoM	Jun	-0.2%	-0.7%	-0.2%	-0.5%
8/9	MBA Mortgage Applications	8/4	--	-3.1%	-3.0%	--
8/10	Initial Jobless Claims	8/5	230k	248k	227k	--
8/10	Continuing Claims	7/29	1707k	1684k	1700k	1692k
8/10	CPI MoM	Jul	0.2%	0.2%	0.2%	--
8/10	CPI Ex Food and Energy MoM	Jul	0.2%	0.2%	0.2%	--
8/10	CPI YoY	Jul	3.3%	3.2%	3.0%	--
8/10	CPI Ex Food and Energy YoY	Jul	4.7%	4.7%	4.8%	--
8/10	CPI Index NSA	Jul	305.86	305.69	305.11	--
8/10	CPI Core Index SA	Jul	308.94	308.80	308.31	--
8/10	Real Avg Hourly Earning YoY	Jul	--	1.1%	1.2%	1.3%
8/10	Real Avg Weekly Earnings YoY	Jul	--	0.2%	0.6%	0.7%
8/10	Monthly Budget Statement	Jul	-\$135.0b	-\$220.8b	-\$211.1b	--
8/11	PPI Final Demand MoM	Jul	0.2%	0.3%	0.4%	0.0%
8/11	PPI Ex Food and Energy MoM	Jul	0.2%	0.3%	0.4%	-0.1%
8/11	PPI Ex Food, Energy, Trade MoM	Jul	0.2%	0.2%	0.1%	--
8/11	PPI Final Demand YoY	Jul	0.7%	0.8%	0.4%	0.2%
8/11	PPI Ex Food and Energy YoY	Jul	2.3%	2.4%	2.4%	--
8/11	PPI Ex Food, Energy, Trade YoY	Jul	2.5%	2.7%	2.6%	2.7%
8/11	U. of Mich. Sentiment	Aug P	71.2	71.2	71.6	--
8/11	U. of Mich. Current Conditions	Aug P	76.9	77.4	76.6	--
8/11	U. of Mich. Expectations	Aug P	67.3	67.3	68.3	--
8/11	U. of Mich. 1 Yr Inflation	Aug P	3.5%	3.3%	3.4%	--
8/11	U. of Mich. 5-10 Yr Inflation	Aug P	3.0%	2.9%	3.0%	--
8/15	Retail Sales Advance MoM	Jul	0.4%	--	0.2%	--
8/15	Retail Sales Ex Auto MoM	Jul	0.4%	--	0.2%	--
8/15	Retail Sales Ex Auto and Gas	Jul	0.4%	--	0.3%	--
8/15	Retail Sales Control Group	Jul	0.5%	--	0.6%	--
8/15	Import Price Index YoY	Jul	--	--	-6.1%	--
8/15	Export Price Index MoM	Jul	0.2%	--	-0.9%	--
8/15	Export Price Index YoY	Jul	--	--	-12.0%	--
8/15	Empire Manufacturing	Aug	-0.40	--	1.10	--
8/15	Business Inventories	Jun	0.2%	--	0.2%	--
8/15	NAHB Housing Market Index	Aug	56	--	56	--
8/15	Net Long-term TIC Flows	Jun	--	--	\$25.8b	--
8/15	Total Net TIC Flows	Jun	--	--	-\$167.6b	--
8/16	Building Permits	Jul	1470k	--	1440k	1441k
8/16	Housing Starts	Jul	1448k	--	1434k	--
8/16	Industrial Production MoM	Jul	0.3%	--	-0.5%	--
8/16	Capacity Utilization	Jul	79.1%	--	78.9%	--
8/16	Manufacturing (SIC) Production	Jul	0.0%	--	-0.3%	--
8/17	Philadelphia Fed Business Outlook	Aug	-10.0	--	-13.5	--
8/17	Leading Index	Jul	-0.4%	--	-0.7%	--

MBS Prepayments <sup>4</sup>						
3-Month CPR						
Type	2.5	3.0	3.5	4.0	4.5	5.0
FN 10y	12.1	13.7	13.4	12.7	18.2	14.6
FH/FN 15y	6.9	8.0	9.6	13.4	15.3	20.7
GN 15y	12.1	14.9	17.8	20.2	20.9	35.1
FH/FN 20y	6.0	6.9	8.0	8.3	9.7	12.7
FH/FN 30y	4.4	6.2	6.4	7.1	7.5	10.1
GN 30y	6.1	6.4	10.6	9.1	7.4	7.1
CPR Projections						
Type	2.5	3.0	3.5	4.0	4.5	5.0
FN 10y	12.5	12.4	12.5	12.1	10.0	10.6
FH/FN 15y	6.9	6.5	7.3	11.2	13.4	14.2
GN 15y	8.7	9.1	10.7	11.3	12.8	12.8
FH/FN 20y	6.1	6.0	6.4	7.5	8.5	9.7
FH/FN 30y	5.2	5.4	5.8	6.3	7.1	8.0
GN 30y	5.7	6.5	7.0	8.2	8.5	6.7

Other Markets					
Index	Current	1Wk Chng	Historical		
			1 Mo	6 Mo	1 Yr
<b>Currencies</b>					
Japanese Yen	144.78	3.02	140.38	132.56	132.63
Euro	1.10	(0.00)	1.10	1.07	1.03
Dollar Index	102.67	0.66	101.73	103.63	105.09
<b>Major Stock Indices</b>					
Dow Jones	35,218	152	34,261	33,869	33,337
S&P 500	4,450.4	(27.7)	4,439.3	4,090.5	4,207.3
NASDAQ	13,662.9	(246)	13,760.7	11,718.1	12,779.9
<b>Commodities</b>					
Gold	1,912.7	(26.9)	1,937.1	1,862.8	1,789.7
Crude Oil	82.96	0.14	74.83	79.72	94.34
Natural Gas	2.72	0.15	2.73	2.51	8.87
Wheat	633.5	0.5	649.5	786.0	810.8
Corn	481.8	-2.5	571.8	680.5	629.3

### Notes

- 1 Call Agy = Maturity at left w/ a 1-Year Call at Par
- 2 Muni TEY (21% Fed, 0.75% CoF)
- 3 S-Corp TEY Muni (29.6%, no TEFERA)
- 4 MBS Prepayments are provided by Bloomberg

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Source for the aforementioned indices, rates, descriptions, & economic indicators: Bloomberg, LP. This report was printed as of: 08/11/2023 9:23AM