



Market Conditions

| MBS | | | MBS | | |
|---------------|---------------|---------|-------------|---------------|--------|
| | Current Price | Change | | Current Price | Change |
| FNMA30 4.0 | 100 1.5/32 | 5/32 | FNMA30 4.5 | 102 13/32 | 4.5/32 |
| FNMA15 3.0 | 99 29/32 | 4.5/32 | FNMA15 3.5 | 101 18.5/32 | 3/32 |
| Treasuries | | | Yield | | |
| | Current Price | Change | | | |
| 3m Treasury | 2.33 | 0/32 | | 2.376% | |
| 2yr Treasury | 100 2.25/32 | 1.75/32 | | 2.837% | |
| 5yr Treasury | 99 26.75/32 | 6.75/32 | | 2.911% | |
| 10yr Treasury | 100 10.5/32 | 11/32 | | 3.087% | |
| 30yr Treasury | 100 23.5/32 | 18/32 | | 3.336% | |
| Stocks | | | Commodities | | |
| | Current Price | Change | | Current Price | Change |
| Dow | 24,830.46 | -1.01% | DOLLAR | 97.071 | 0.268 |
| Nasdaq | 6,740.48 | -0.44% | Gold | 1207.9 | +0 |
| S&P 500 | 2,684.08 | -0.65% | Crude Oil | 57.05 | 1.42% |

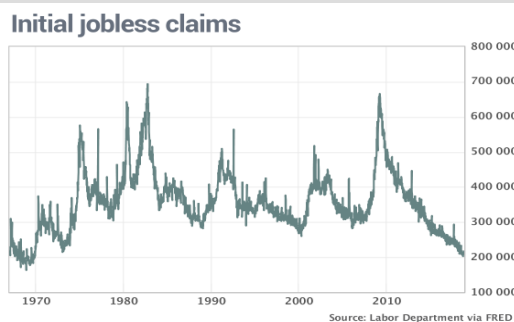
Economic Commentary

MBS prices are up about 4/32 again this morning while the Dow is down over 200 points again. There were several economic report releases this morning. The number of Americans who applied for unemployment benefits in mid-November rose slightly, but they remained near historic lows. Initial jobless claims, a rough way to measure layoffs, edged up by 2,000 to 216,000 in the seven days ended Nov. 10. That was a bit higher than the 210,000 forecast of economists polled by MarketWatch. Sales at U.S. retailers surged in October after the first back-to-back declines since 2015, though most of the money was spent on gas and new cars and trucks. Retail sales leaped 0.8% last month, the government said today. Economists polled by MarketWatch had predicted a 0.6% increase. There was a split in directions between the Empire State and Philadelphia Fed manufacturing indexes, with the New York-area gauge rising 2.2 points to a reading of 23.3 in November while the Philly Fed index slid 9.3 points to 12.9, a three-month low. The big difference between the regional manufacturing indexes came in new orders, which fell slightly in New York and more steeply in Philadelphia. Crude oil prices are fighting to hold onto gains after snapping a 12-day losing streak yesterday.

Economic Calendar

| | Date | Actual | Estimated | Prior |
|---------------------------|--------------|-----------|-----------|-----------|
| MONDAY, NOV. 12 | | | | |
| Market Closed | Veterans Day | | | |
| TUESDAY, NOV. 13 | | | | |
| NFIB small-business index | Oct. | 107.40 | -- | 107.90 |
| Federal budget | Oct. | -\$77 bln | -- | -\$63 bln |
| WEDNESDAY, NOV. 14 | | | | |
| Consumer price index | Oct. | 0.30% | 0.30% | 0.10% |
| Core CPI | Oct. | 0.20% | 0.20% | 0.10% |
| THURSDAY, NOV. 15 | | | | |
| Weekly jobless claims | 11/10 | 216,000 | 210,000 | 214,000 |
| Retail sales | Oct. | 0.80% | 0.60% | -0.10% |
| Retail sales ex-autos | Oct. | 0.70% | 0.50% | -0.10% |
| Philly Fed | Nov. | 12.90 | 20.00 | 22.20 |
| Empire state index | Nov. | 23.30 | -- | 21.10 |
| Import price index | Oct. | 0.50% | -- | 0.20% |
| Business inventories | Sept. | | -- | 0.50% |
| FRIDAY, NOV. 16 | | | | |
| Industrial production | Oct. | | 0.20% | 0.30% |
| Capacity utilization | Oct. | | 78.20% | 78.10% |

Chart of the Day:



Mortgage Capital Management

1660 Hotel Circle North, Suite 700
San Diego, California 92108
Phone: 858.483.4404
Email: info@mortcap.com
www.mortcap.com