

WEEKLY MARKET UPDATES
COMMENTARY FROM THE DENVER DESK...

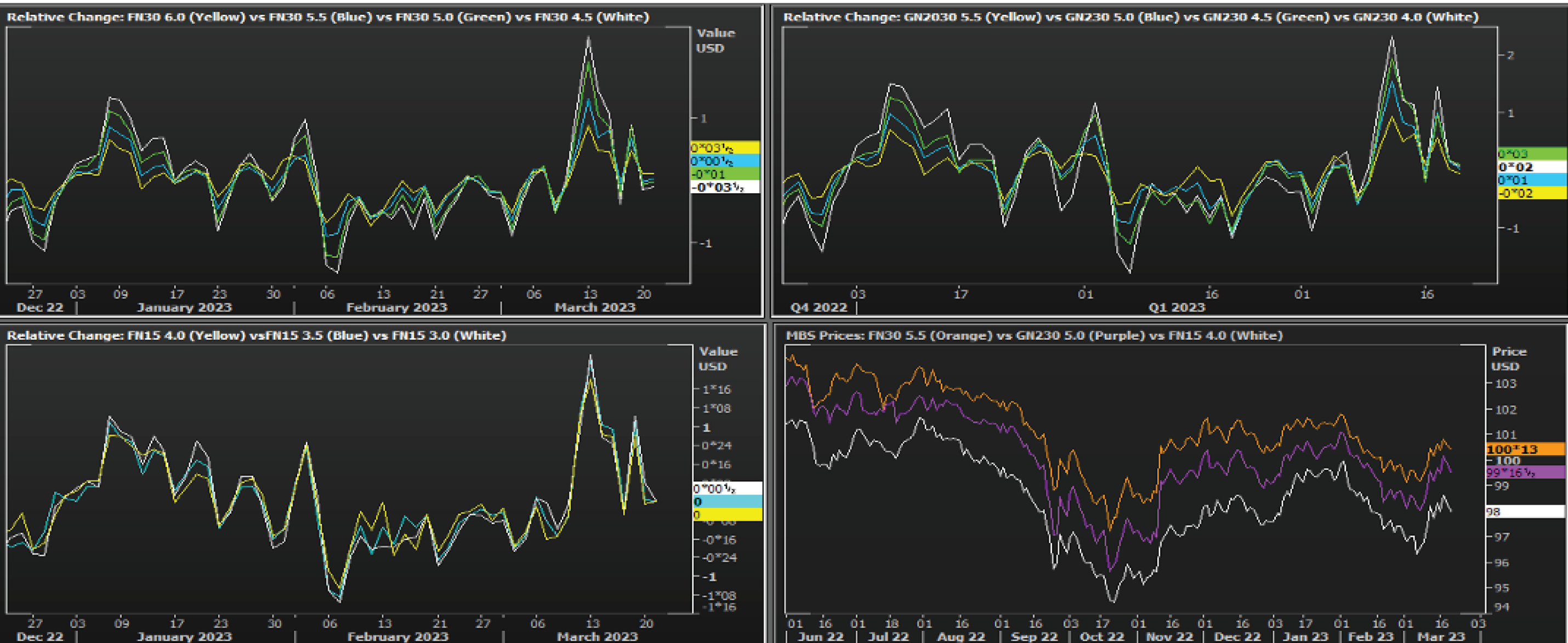
This weekend brought more developments from the world of banking, this time from the European continent, as Swiss bank UBS agreed to buy their chief rival, Credit Suisse, for 3.0B CHF (3.2B USD). While the deal, structured in part by Swiss regulators, saves Credit Suisse from collapse, the fears of contagion and continued uncertainty in the industry remain at elevated levels. Reflective of this was a decline in bank equities across the sector. After the announcement of the rescue deal Credit Suisse declared \$17.24B of it's debt to have been written down to zero on the orders of Swiss regulators - a statement that did not impress bondholders the world over.

Here stateside, First Republic remains the focus of attention as the bank announced a round of funding from banking giants JP Morgan, Citi, Bank of America, and others. The funding did not instill confidence in the bank's liquidity and S&P further downgraded the bank after having already done so last week. A takeover not dissimilar from the Credit Suisse story has not yet been ruled out as of writing.

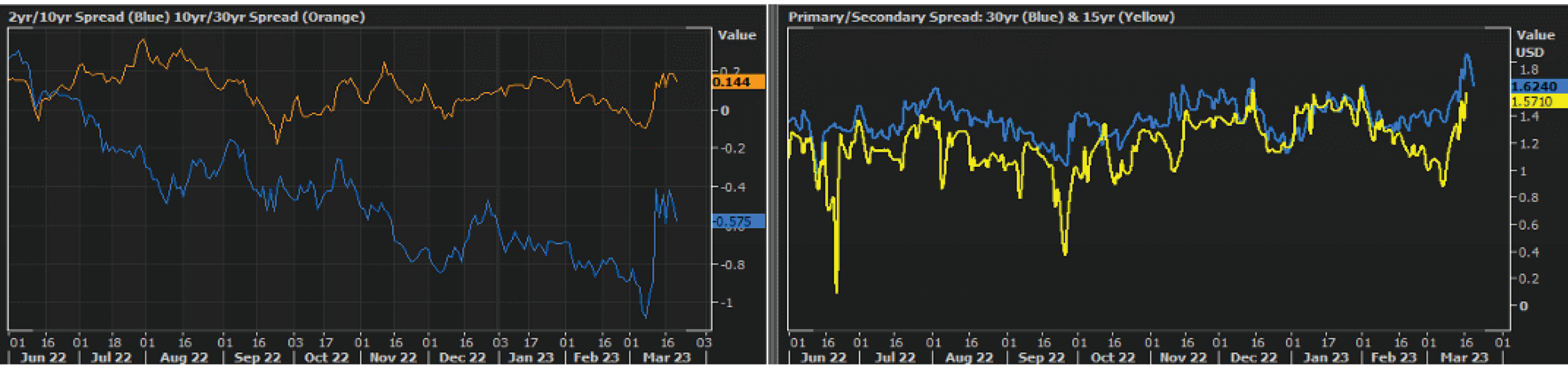
In the mortgage world, rates are lower week-over-week as the effects of a flight to safety were felt throughout debt markets. The average Conforming 30-Year rate in the Optimal Blue universe was less than 6.5% Friday showing a reading of 6.423% per the OBMMI. The Federal Reserve Open Market Committee meets Wednesday to decide on rates and whether to hike further or pause. At the time of writing, about four-fifths of market participants were expecting a 25-basis-point hike with the remainder electing for a pause. As any market participant knows though this can flip on a dime as news hits the tape between now and Wednesday.

MARKET INDICATORS

BENCHMARK	FN30 CURRENT CPN	FN30 5.5	FN15 5.0	GNI30 5.5	OBMMI 30-YR RATE
ONE WEEK AGO	5.440	100 5/32	100 7/32	100 14/32	6.537
CURRENT	5.352	100 13/32	100 11/32	100 23/32	6.46
DELTA	-0.088	0.250	0.125	0.281	-0.077



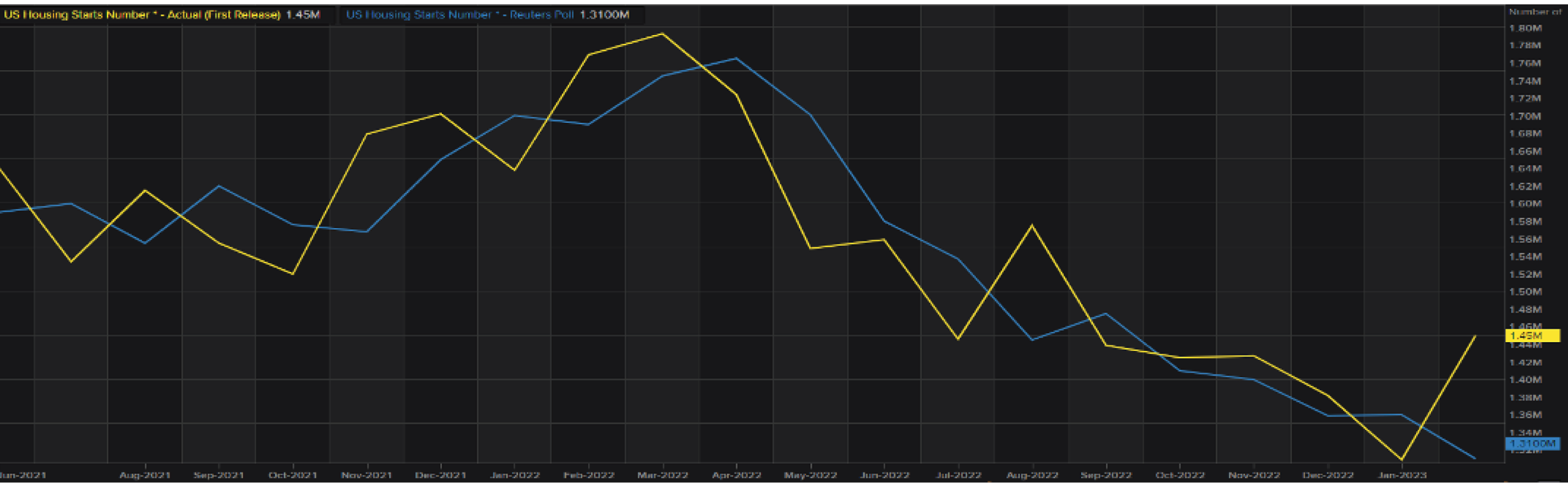
BENCHMARK	SOFR	UST 2-YR. YIELD	UST 10-YR. YIELD	UST 30-YR. YIELD	10-YR./30-YR. SPREAD
ONE WEEK AGO	4.550	4.321	3.642	3.757	0.115
CURRENT	4.550	4.160	3.583	3.727	0.144
DELTA	0.000	-0.161	-0.059	-0.030	0.029



- Prices/Yields are current as of 09:30am EST on March 21, 2023 -

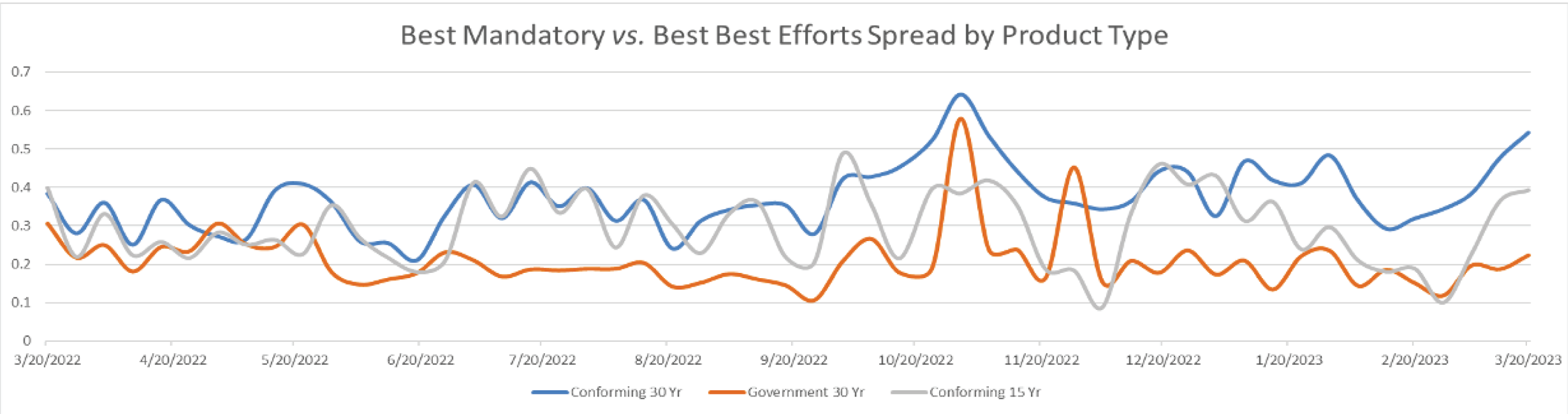
ECONOMIC DATA

Housing Starts	December	November	October	3-MO Moving Average	1-YR Moving Average
ACTUAL	1,450,000	1,309,000	1,380,000	1,379,667	1,506,417
EXPECTED	1,310,000	1,360,000	1,360,000		
CHANGE	141,000	(71,000)	(59,000)		



BEST EFFORTS – MANDATORY SPREAD INDEX

	Conforming 30-Year	Government 30-Year	Conforming 15-Year
Weekly	0.542	0.223	0.393
30 days	0.436	0.181	0.271
90 days	0.405	0.186	0.286
1 year	0.376	0.207	0.296



LIGHT READING

[Reuters: Bank Shares Rise After Credit Suisse Rescue Eases Crisis](#)

WEEKLY TECH TIP
DID YOU KNOW...

Executing AOTs (Assignments of Trade) will help to save valuable basis points during this high-hedge-cost environment. In a normal market, AOTs save approximately 6 BPS per loan, but with a wider bid/ask on average currently, it's closer to 10 BPS or higher. Plus, the mechanics of assigning trades help to mitigate cash flow imbalances. Contact your hedge team if you have questions on executions utilizing this method.

ECONOMIC CALENDAR: DATA and EVENTS

TIME (ET)	REPORT	PERIOD	ACTUAL	MEDIAN FORECAST	PREVIOUS
WEDNESDAY, MARCH 22					
2:00 PM	Fed interest-rate decision				
2:30 PM	Fed Chair Powell press conference				
THURSDAY, MARCH 23					
8:30 AM	U.S. current account	Q4		-214.08	-\$217.1B
8:30 AM	Initial jobless claims			198,000	192,000
8:30 AM	Continuing jobless claims			--	1.68 million
10:00 AM	New home sales	Feb.		650,000	670,000
FRIDAY, MARCH 24					
8:30 AM	Durable goods	Feb.		0	0
9:30 AM	St. Louis Fed President Bullard speaks				
9:45 AM	S&P Global flash U.S. services PMI	March		50	51
9:45 am	S&P Global flash U.S. manufacturing PMI	March		47	47
MONDAY, MARCH 27					
	None scheduled				
TUESDAY, MARCH 28					
8:30 AM	Advanced U.S. trade balance in goods	Feb.		--	-\$91.5B
8:30 AM	Advanced retail inventories	Feb.			0.00
8:30 AM	Advanced wholesale inventories	Feb.			0.00
9:00 AM	S&P Case-Shiller home price index (20 cities)	Jan.		--	0.05
9:00 AM	FHFA home price index	Jan.		--	
10:00 AM	U.S. consumer confidence	March			102.90