

SOFR swap rates are ticking a touch higher this morning as market participants react to a strong 3Q GDP result. Currently, swap rates are up ~2-4 basis points across the curve. Swap rates have drifted to the top of the recent trading range given the strong GDP result (see far right of below graphs).

I think traders will be reluctant to carve out a new range this week, and I expect rates to remain range bound as the market shifts squarely into Holiday mode. That said, rates may continue to drift a touch higher today as traders absorb the strong GDP data.

CHART 2: Short-End SOFR Swap Rates – Prior 10 Days



CHART 2A: Long-End SOFR Swap Rates – Prior 10 Days





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