# HOUSING NEWSLETTER

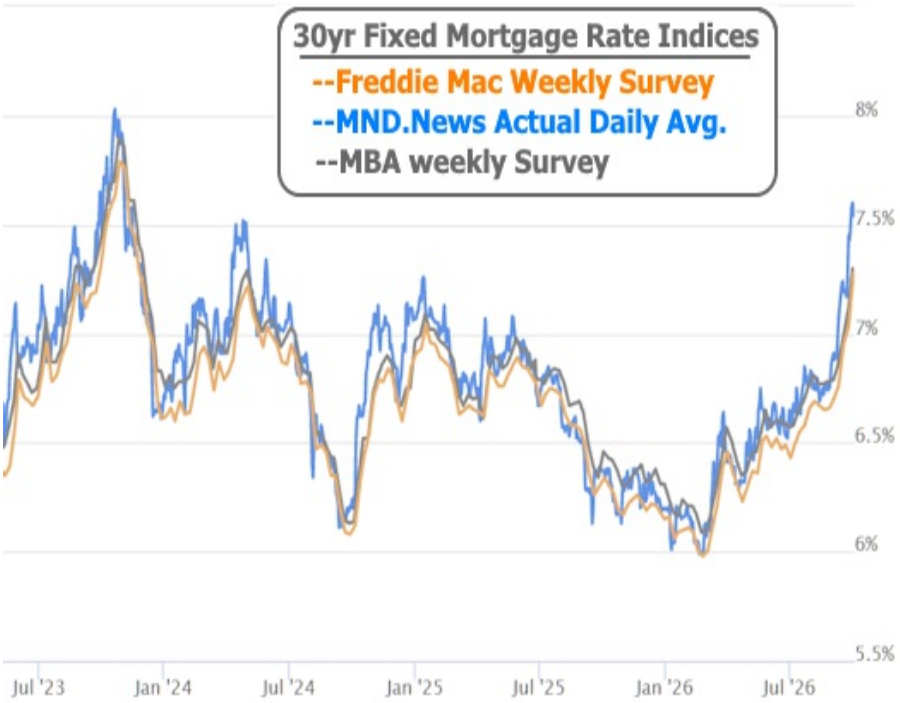
The Week's Most Important Housing News

**A message from Tan & Samantha Tunador:**

If you are ready to explore homeownership, lets open up a conversation to help you navigate the best route for you with down payment & monthly payment options. Finance programs are unique like you and one size does not fit all. The next step is a simple online application so that we can get you preapproved and ready to look for the perfect home. Unlike shopping for a car or rental applications, the credit pull to buy a home is not a derogatory. Homeownership and wealth building is the goal for all. Would you like to schedule time to chat? If you are a Realtor, would you like this calculator co-branded?

## Why Didn't Rates Fall After This Week's Jobs Report?

It's been a bumpy ride for interest rates recently, and while this week was no exception, the pace subsided slightly. Nonetheless, rates moved higher with Wednesday seeing the highest average 30yr fixed rates since November 1, 2023. On the bright side, that's a lot better than the story in 10yr Treasury yields, which hit their highest level since 2002.




The first 3 days of the week were actually mostly sideways in the bigger picture--the sort of final chapter we often see when a sharp, sustained rate spike is getting ready to do something else. Thursday's action added to that optimism as rates managed to recover substantially with help from an old ally.

## Tan & Samantha Tunador

VP | Sr Loan Officer Team, Atlantic Coast Mortgage, LLC

www.TheTunadorGroup.com
**P:** (703) 919-5875
**M:** (703) 328-0628
tan@acmllc.com

10 W Market Street NW
Leesburg Virginia 20176

NMLS ID 1166669
NMLS ID 2408374

## Samantha Tunador

Loan Officer, Atlantic Coast Mortgage

www.acmllc.com/samantha-tundor
**P:** (703) 919-5875
stunador@acmllc.com
NMLS#2408374


© MBS Live, LLC. All rights reserved. This newsletter is a service of MBS Live.

More than a decade ago, concerns over potential contagion in the European debt market helped U.S. rates remain a lot lower for a lot longer. Europe's monetary policy response helped get us back to long-term lows even after the "taper tantrum" of 2013. By the time Brexit helped rates hit new long-term lows in 2016, Europe increasingly fell out of the rotation of things the U.S. rate market worried about.

Very long story short, French fiscal concerns have reignited a small-scale version of that old-school contagion fear. This helped U.S. yields hit their best levels of the week on Thursday afternoon.

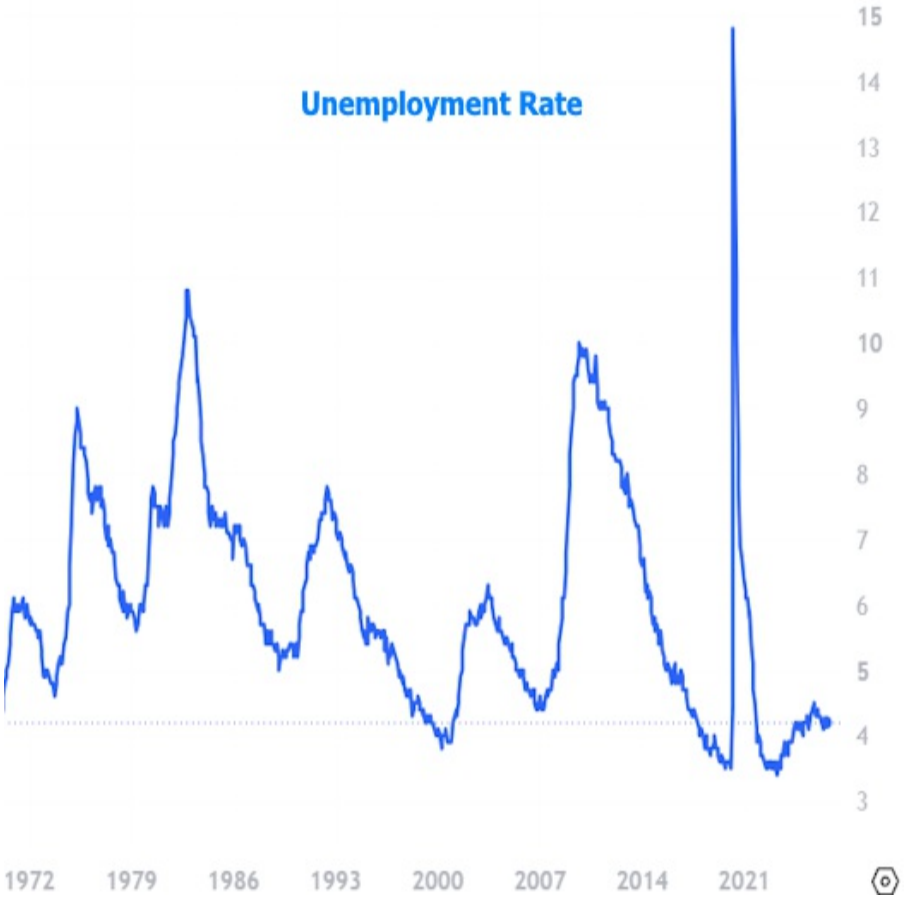
Friday morning initially took yields even lower after the jobs report headline came in much lower than expected. Unfortunately, it didn't stick. In order to understand why, some paradigm evolution is required.

While it's true that nonfarm payrolls (the monthly job count) have long been the most important part of the jobs report, that began to shift in 2025 due to changes in labor force composition. By early 2026, Fed speakers were warning that markets should focus on the unemployment rate for a clean read. In fact, some research suggests it doesn't take any new job creation to keep the unemployment rate flat these days.

This means the big drop in payrolls wasn't necessarily the good news that interest rates were hoping for. At first glance, it seemed like the unemployment rate was also weaker because it rose from 4.1% to 4.2%, but there were a few big caveats.

These are rounded numbers. The unrounded unemployment rate only rose to 4.175% from 4.141%. Furthermore, if we adjust for growth in the labor force, it would have been 3.951%. Simply put, this is anything but a weak number, and the market eventually traded accordingly.

© MBS Live, LLC. All rights reserved. This newsletter is a service of MBS Live.




In addition to the nuance in the jobs report, our French connection also reversed course. Between that and a moderate uptick in oil prices, bond yields moved back into the red by the afternoon and many mortgage lenders were forced to raise rates back toward the week's higher levels.

© MBS Live, LLC. All rights reserved. This newsletter is a service of MBS Live.

© MBS Live, LLC. All rights reserved. This newsletter is a service of MBS Live.