

MARKET SUMMARY

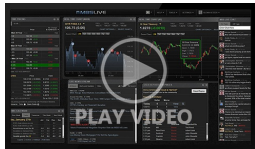
Complete Recap of Today's Market Activity

Sizeable, Straightforward Selling Spree

Market Summary: Saturday, January 11, 2025 - 6:32AM

Today's jobs report was much stronger than expected and there were no compelling counterpoints to give traders any second thoughts. As such, traders proceeded logically by dumping bonds. Trading levels hit the 3pm close very close to the levels seen immediately after the jobs report and there wasn't much fanfare in between. All in all, a reaction that was as straightforward as it was unpleasant.

Latest Video Analysis



Sizeable, Straightforward Selling Spree



Adam Fuller

Senior Loan Officer,
Mortgage 1 Inc.

www.m1gr.com/af

P: (616) 552-4663 x2

afuller@mortgageone.com

3243 East Paris Ave. SE
Grand Rapids MI 49512
1317422



MBS & Treasury Markets

| | | | | | | |
|----------|-------|-------|------|--------|---------|----------------------|
| UMBS 5.5 | 97.55 | -0.62 | 10YR | 4.751% | +0.067% | 1/10/2025 5:00PM EST |
|----------|-------|-------|------|--------|---------|----------------------|

Down a Quarter Point From Post-NFP Highs

Different lenders may approach this scenario differently depending on when they priced this morning and how conservative the rate sheet was. Bottom line, MBS are down a quarter point from the post-NFP highs last seen just after 10:30 am ET. Jumper lenders who priced near those highs could be considering negative reprices.

10yr yields are up 8.2bps at 4.766.

There are now new headlines or data points driving this weakness. It has been gradual and without volume spikes.

MBS MORNING: Highest Yields in Over a Year After Super Strong Jobs Report

ALERT: Bonds Tanking After Surge in Payroll Growth

Today's Mortgage Rates

30YR Fixed 7.24% +0.09%

15YR Fixed 6.53% +0.02% 1/10/2025

Mortgage Rates Jump Sharply Higher After Jobs Report

were already at 6 month highs earlier this week so it didn't take much of a push to send them up to new 7 month highs today.

The push in question came from today's hotly-anticipated jobs report. No other economic report has as much consistent potential to cause volatility for interest rates. As such, when today's job creation headline came in at much higher levels than expected, it was an easy decision for traders to push rates to higher levels.

The average top tier 30yr fixed rate was closer to 7.125% yesterday. After today's route, that rate is now almost perfectly centered on the 7.25% level (mortgage rates are typically offered in 0.125% increments).

These are the highest levels since May 2024.

From here, the pain could continue if next week's data sings a similar tune. While not as consistent a market mover as the jobs report, Wednesday's Consumer Price Index (CPI) is the only other economic report that's in the same league.

A particularly balmy inflation reading could easily push rates up another 0.125%--possibly more. Conversely, a sharply lower inflation reading could be worth just as much of a recovery.

| Time | Event | Actual | Forecast | Prior |
|-----------------------|--|---------|----------|---------|
| Friday, Jan 10 | | | | |
| 8:30AM | U-6 Unemployment Rate | 7.5% | | 7.8% |
| 8:30AM | Dec Unemployment rate mm (%) ★★ | 4.1% | 4.2% | 4.2% |
| 8:30AM | Dec Government Payrolls | 33K | | 33K |
| 8:30AM | Dec Average earnings mm (%) ★ | 0.3% | 0.3% | 0.4% |
| 8:30AM | Average Hourly Earnings YoY | 3.9% | 4% | 4% |
| 8:30AM | Dec Average workweek hrs (hr) | 34.3 | 34.3 | 34.3 |
| 8:30AM | Dec Private Payrolls (k) | 223K | 135K | 194K |
| 8:30AM | Dec Non Farm Payrolls ★★ | 256K | 160K | 227K |
| 8:30AM | Dec Manufacturing payrolls (k) | -13K | 5K | 22K |
| 8:30AM | Dec Participation Rate ☆ | 62.5% | | 62.5% |
| 10:00AM | Jan U Mich conditions ☆ | 77.9 | | 75.1 |
| 10:00AM | Jan Sentiment: 1y Inflation (%) ☆ | 3.3% | | 2.8% |
| 10:00AM | Jan Consumer Sentiment (ip) ☆ | 73.2 | 73.8 | 74.0 |
| 10:00AM | Jan Michigan Consumer Expectations Final | 70.2 | | 73.3 |
| 10:00AM | Jan Sentiment: 5y Inflation (%) ☆ | 3.3% | | 3% |
| 12:00PM | WASDE Report (%) | | | |
| 12:00PM | Dec Quarterly Grain Stocks - Soy | 3.1B | | 0.342B |
| 12:00PM | Dec Quarterly Grain Stocks - Corn | 12.074B | | 1.760B |
| 12:00PM | Dec Quarterly Grain Stocks - Wheat | 1.57B | | 1.98B |
| 1:00PM | Jan/10 Baker Hughes Oil Rig Count | 480 | | 482 |
| 1:00PM | Jan/10 Baker Hughes Total Rig Count | 584 | | 589 |
| 4:30PM | Jan/08 Central Bank Balance Sheet | \$6.85T | | \$6.85T |
| Monday, Jan 13 | | | | |
| 12:00AM | Roll Date - UMBS 30YR | | | |
| 11:00AM | Dec Consumer Inflation Expectations ☆ | | | 3% |
| 11:30AM | 52-Week Bill Auction (bl) | 84 | | |
| 11:30AM | 3-Month Bill Auction | | | 4.205% |
| 11:30AM | 6-Month Bill Auction | | | 4.110% |
| 11:30AM | 26-Week Bill Auction (bl) | | 72 | |
| 2:00PM | Dec Federal budget, \$ (bl) | | | \$-367B |

Recent Housing News








- [Mortgage Applications Don't Have Much to Lose](#)
- [Home Prices Remain The Housing Market's Biggest Mixed Blessing](#)
- [Mortgage Application Activity Evaporates as Data Catches Up With Rates](#)

Read My Latest Newsletter

Highest Mortgage Rates in 7 Months After Upbeat Jobs Report

Mortgage rates weren't having a great week in the first place. As of Wednesday, the average lender was already up to the highest levels since June 2024. But up until that point, there hadn't been too much volatility. The rising rate trend kicked into higher gear after Friday morning's jobs report. Officially known as The Employment Situation, the jobs repo...

Mortgage Calculators

-  [Mortgage Payment w Amortization](#)
-  [Loan Comparison](#)
-  [Advanced Loan Comparison](#)
-  [Early Payoff](#)
-  [Should I Refinance?](#)
-  [Rent vs. Buy](#)
-  [Blended Rate](#)