

MARKET SUMMARY

Complete Recap of Today's Market Activity

Absence of Data Leaves Focus on **Technicals** and the Waiting Game

Market Summary: Wednesday, January 22, 2025 - 5:22PM

The extreme dearth of big ticket economic data was no mystery heading into the current week. Traders shouldn't have been surprised and they are doing a great job of showing it. Bonds traded ruthlessly flat yesterday and only slightly less so today. In the bigger picture, yields look to have bounced at 4.57 but also to be holding mostly sideways as they await inspiration for the next big move. For those who must connect movement to events, we can't disprove that traders erred on the side of selling ahead of today's 20yr bond auction, and were then more willing to buy after the reasonably decent auction results.

Market Movement Recap

- 11:03 AM sideways to slightly stronger overnight, but losing ground since 9am ET. MBS down 2 ticks (.06) and 10yr up 2.4 bps at 4.602
- 01:23 PM 20yr auction was relatively strong, but isn't helping much. MBS down 3 ticks (.09) and 10yr up 2.5bps at 4.603
- 03:10 PM Recovering a bit in the hours after the auction. MBS down 2 ticks (.06) and 10yr up 1.3bps at 4.591

Latest Video Analysis



Absence of Data Leaves Focus on Technicals and the Waiting Game



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MBS & Treasury Markets

UMBS 5.5 98.44 -0.13 | 10YR 4.592% +0.014% 1/22/2025 5:21PM EST

Resistance Kicking In

Bonds rallied yesterday, largely in an attempt to catch up with the movement that occurred on Monday when cash trading was closed (futures and other markets implied moderate gains). In the slightly bigger picture, the recent gains have had most to do with last week's economic data and a small amount to do with Monday's executive orders surrounding tariffs. It continues to be the case that bonds would need to see a marked downturn in economic data or inflation for any big, near-term rally. Without that, and supply/demand have increased significance. With today's 20yr bond auction (small though it may be) and the resistance at 4.57% in 10yr Treasuries, it's not too surprising to see some early selling.

ALERT: Down More Than an Eighth From Highs

MBS MORNING: Bonds Open Stronger Thanks to Tariff Uncertainty

Today's Mortgage Rates

30YR Fixed 7.08% +0.00% | 15YR Fixed 6.50% -0.01% 1/22/2025

Mortgage Rates Hold Same Level For 3rd Straight Day

Given that rates take cues from bonds and bonds take cues from economic data, it's perhaps no surprise to see an absence of volatility in rates on a week that has very little to offer in terms of economic data. Still, usually manage to move a bit even when there are no compelling events to react to. Why is this week different?

Simply put, there are just some stretches of time that see very little bond market movement and, thus, very little rate movement. This could be chalked up to coincidence, an absence of motivation, indecision regarding the impact of new policy announcements, the market's desire to level off after a decent improvement last week, or a combination of all of the above.

Whatever the justifications (or coincidences) may be, the average lender's top tier 30yr fixed rate hasn't budged so far this week.

Economic Calendar

[Last Week](#)
[This Week](#)
[Next Week](#)

Time	Event	Actual	Forecast	Prior
Wednesday, Jan 22				
7:00AM	Jan/17 Mortgage Market Index	224.6		224.4
7:00AM	Jan/17 MBA Refi Index	558.8		575.6
7:00AM	Jan/17 MBA Mortgage Applications	0.1%		33.3%
7:00AM	Jan/17 MBA 30-yr mortgage rate (%)	7.02%		7.09%
7:00AM	Jan/17 MBA Purchase Index	163.0		162.0
8:55AM	Jan/18 Redbook yy (%)	4.5%		4%
10:00AM	Dec CB Leading Index MoM (%)	-0.1%	0%	0.3%
11:30AM	17-Week Bill Auction (%)	4.205%		4.210%
1:00PM	20-Yr Bond Auction (bl)	13		
1:00PM	20-Year Bond Auction	4.900%		4.686%
4:30PM	Jan/17 API weekly crude stocks (ml)	1M		-2.6M
Thursday, Jan 23				
8:30AM	Jan/18 Jobless claims 4-wk avg (k)			212.75K
8:30AM	Jan/18 Jobless Claims (k) ★		220K	217K
8:30AM	Jan/11 Continued Claims (ml)		1860K	1859K
10:30AM	Jan/17 Nat gas-EIA, change bcf			-258Bcf
11:00AM	Jan/17 EIA Refinery Crude Runs Change			-0.255M
11:00AM	Jan/17 EIA Crude Oil Imports Change			-1.304M
11:00AM	Jan/17 Crude Oil Inventory (ml)			-1.961M
11:00AM	Jan/17 EIA Distillate Fuel Production Change			-0.021M
11:00AM	Jan/17 EIA Distillate Stocks Change			3.077M
11:00AM	Jan/17 EIA Gasoline Production Change			0.397M
11:00AM	Jan/17 EIA Cushing Crude Oil Stocks Change			0.765M
11:00AM	Jan/17 EIA Gasoline Stocks Change			5.852M
11:00AM	Jan/17 EIA Heating Oil Stocks Change			0.646M
11:30AM	4-Week Bill Auction			4.240%
11:30AM	8-Week Bill Auction			4.235%
12:00PM	Jan/23 15-Year Mortgage Rate			6.27%
12:00PM	Jan/23 30-Year Mortgage Rate			7.04%
1:00PM	10-Year TIPS Auction			2.071%
1:00PM	10-yr Note Auction (bl) ★		20	
4:30PM	Jan/22 Central Bank Balance Sheet			\$6.83T

Recent Housing News








- Homebuilder Confidence Consolidation Continues
- Housing Construction Bounced Back in December Thanks to Multifamily Sector
- Mortgage Applications Improved Even as Rates Moved Higher

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Rates Recover After Tame Inflation Data

Last week's big to-do was the jobs report, which sent rates sharply higher. This week's inflation data had a chance to add fuel to that fire or put it out. The inflation report in question was the Consumer Price Index (CPI). In addition to being one of the two most important monthly economic reports, it also turned out to be quite the little firefighter this time around. The following chart ...

Mortgage Calculators

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