

MARKET SUMMARY

Complete Recap of Today's Market Activity

Markets Trading Shutdown Risks? We'll Find Out Soon

Market Summary: Friday, March 14, 2025 - 9:49AM

It's been an on-again, off-again week for bonds and several of their trading motivations. Economic data has played its part at times, but not in any excessive way. The same goes for the recently relevant "stock lever" (the tendency for higher stock prices to push bond yields higher and vice versa). It was the latter that was most noticeable in the overnight session with modestly higher stocks and bond yields. The most basic assumption is that this has something to do with late headlines yesterday regarding the prospects for averting a government shutdown. Whether or not this is the true motivation is nearly moot for two reasons. First off, the extraordinary measures that have prevented a shutdown thus far technically expire today if we take the government at their word. Perhaps more importantly, none of this week's movement in bonds has been very consequential. If anything, it's a garden variety consolidation after hitting multi-month lows last week.



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Market Movement Recap

09:30 AM Moderately weaker overnight in concert with stock market gains. MBS down 3 ticks (.09) and 10yr up 3.4bps at 4.303

Latest Video Analysis



Saved By Stocks Again

UMBS 5.5	99.66	-0.09	10YR	4.301%	+0.031%	3/14/2025 1:49PM EST
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MBS MORNING: Paradoxical Inflation Report Reaction, PPI Edition

UPDATE: Big Drop in Producer Prices. Mixed Reaction Due to PCE Implications

Today's Mortgage Rates

30YR Fixed	6.81%	+0.03%	15YR Fixed	6.25%	+0.02%	3/14/2025
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Mortgage Rates Recover After Starting Slightly Higher

hit their highest levels in just over 2 weeks yesterday and they were on track to remain unchanged today. In fact, the average lender offered the exact same 30yr fixed rate when this morning's initial barrage of rate sheets came out.

Lenders typically publish their first rates of the day around 10am ET, and they prefer to avoid any do-overs. But because rates are based on bonds, when the underlying bond market moves enough, lenders can opt to update their offerings. In the mortgage industry, these instances are referred to as "reprices."

Reprices can happen in either direction. Today's were positive (i.e. lower rates). This was made possible by bond market improvement that came at the expense of stock market weakness. Stocks and bonds don't always have this type of push and pull relationship, but it has been more common in recent weeks as stocks swoon.

Despite the improvement, the general trend in rates has been sideways to slightly higher, but inside the lowest, narrowest range since October.

Time	Event	Actual	Forecast	Prior
Friday, Mar 14				
10:00AM	Mar Consumer Sentiment (ip) ☆	57.9	63.1	64.7
10:00AM	Mar Sentiment: 5y Inflation (%) ☆	3.9%		3.5%
10:00AM	Mar U Mich conditions ☆	63.5	65	65.7
10:00AM	Mar Michigan Consumer Expectations Final	54.2	64.3	64.0
10:00AM	Mar Sentiment: 1y Inflation (%) ☆	4.9%		4.3%
1:00PM	Mar/14 Baker Hughes Oil Rig Count	487		486
1:00PM	Mar/14 Baker Hughes Total Rig Count	592		592
Monday, Mar 17				
12:00AM	Roll Date - UMBS 15YR, Ginnie Mae 15YR			
8:30AM	Feb Retail Sales YoY			4.2%
8:30AM	Feb Retail Sales Control Group MoM			-0.8%
8:30AM	Feb Retail Sales Ex Gas/Autos MoM			-0.5%
8:30AM	Feb Retail Sales (%) ★		0.7%	-0.9%
8:30AM	Mar NY Fed Manufacturing ☆		-1.9	5.7
8:30AM	Feb Retail Sales (ex-autos) (%)		0.5%	-0.4%
10:00AM	Jan Retail Inventories Ex Autos MoM Adv		0.4%	-0.1%
10:00AM	Jan Business Inventories (%) ☆		0.3%	-0.2%
10:00AM	Mar NAHB housing market indx ☆		43	42
11:30AM	26-Week Bill Auction (bl)	76		
11:30AM	3-Month Bill Auction			4.200%
11:30AM	6-Month Bill Auction			4.075%
11:30AM	26-Week Bill Auction (bl)		68	
12:00PM	NOPA Crush Report (%)			








Recent Housing News

- Big Bounce in Refi Demand Thanks to Lower Rates
- Why Didn't Refi Demand Spike This Week?
- New Home Sales Drop 10.5%. Should You Care?

The Secret Reason That Rates Bounced This Week

There's a lot for financial markets to digest at the moment. Over the past few weeks, the net effect of that digestion has been good for bonds/rates and bad for stocks. But the prevailing correlation broke down this week and few people in the U.S. truly understand why. That's forgivable, considering there has been a lot to react to in terms of economic data and fiscal updates. Monday's weaker&n...

Mortgage Calculators

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