

# MARKET SUMMARY

Complete Recap of Today's Market Activity

## Big, Early Rally, Then Flat All Day

Market Summary: Friday, April 4, 2025 - 10:08AM

On any given day in the bond market, Sometimes everything that's going to happen ends up happening in the morning, thus leaving the rest of the day to drift almost perfectly sideways. Thursday was one of those days. Overseas markets dogpiled on Wednesday afternoon's tariff reaction, sending stocks ripping lower and bond yields following. By the time US markets began active trading, most of the gains were in for bonds. MBS, specifically, barely budged from 11:40am through the close.

### Latest Video Analysis



Big, Early Rally, Then Flat All Day



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UMBS 5.5 100.32 -0.06 | 10YR 4.005% -0.024% 4/4/2025 5:00PM EST

### NFP Much Stronger, But Unemployment Up; No Immediate Reaction

- Nonfarm payrolls
  - 228k vs 135k f'cast, 117k prev
  - last month revised down from 151k
- Unemployment Rate
  - 4.2 vs 4.1 f'cast, 4.1 prev
- Participation Rate
  - up 0.1%
  - helps offset unemployment rate

Simply put: this is a fairly decent jobs report considering the higher participation rate basically means unemployment was in line with forecasts. The job count is obviously strong, but mitigated, somewhat, but the negative revision to last month.

10yr yields are still down massively, thanks to huge overnight gains, but are up roughly 1bp since the data at 3.899.

MBS are still up roughly 3/8ths of a point.

**MBS MORNING:** Global Markets in Flight to Safety After Tariff News

**UPDATE:** Additional Gains After Weaker ISM Data, But They're Not Sticking

## Today's Mortgage Rates

30YR Fixed 6.60% -0.03%

15YR Fixed 6.02% -0.03%

4/4/2025

### Lowest Mortgage Rates in More Than 5 Months

Yesterday afternoon's tariff announcement sent financial markets on a ride that ultimately resulted in sharply lower stock prices and moderately lower bond yields. Stocks don't always correlate with bond yields, but that has been a common pattern since late February.

The correlation between bond yields and , on the other hand, is perpetual and nearly flawless. After all, "yield" is just another word for "rate." Additionally, mortgage rates are based on mortgage-backed securities (MBS) which are basically bonds.

All that to say: rates have been benefitting from the market chaos that's been hurting stocks, and stocks got hurt quite a bit over the past 24 hours. Considering the average 30yr fixed rate was already close to its lowest levels since mid October yesterday, it's no surprise to see an official breakout today.

[thirtyyearmortgagerates]

Tariffs and stock market volatility are not the only games in town for rates. Economic data is also very important and tomorrow's jobs report is typically the most important economic report of any given month. Depending on the results, it could help rates move even lower or bounce back up into the recent range.

## Economic Calendar

Last Week

This Week

Next Week

Time	Event	Actual	Forecast	Prior
<b>Friday, Apr 04</b>				
8:30AM	Mar Participation Rate ☆	62.5%		62.4%
8:30AM	Mar Average earnings mm (%) ★	0.3%	0.3%	0.3%
8:30AM	Mar Non Farm Payrolls (k) ★★	228K	135K	151K
8:30AM	Mar Unemployment rate mm (%) ★★	4.2%	4.1%	4.1%
11:25AM	Fed Chair Powell Speech ★★			
12:00PM	Fed Barr Speech ☆			
12:45PM	Fed Waller Speech ☆			
<b>Monday, Apr 07</b>				
10:30AM	Fed Kugler Speech ☆			
3:00PM	Feb Consumer credit (bl)	\$-0.81B	\$15.2B	\$18.08B

## Recent Housing News








- Pending Home Sales Crack Half-Hearted Smile Amid Longer Term Depression
- Purchase Applications Improve; Refinancing Ebbs
- New Home Sales Should Come With a Warning

## Read My Latest Newsletter

## Inflation Told Rates to Rise. Rates Didn't Listen

Heading into the week, market watchers knew (or thought they knew) that Friday's PCE inflation data had a chance to help or hurt interest rates more than any other economic report. When PCE came out higher than expected on Friday morning, market watchers knew (or thought they knew) what would happen next. But instead, the opposite happened. Events like this se...

## Mortgage Calculators

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