

MARKET SUMMARY

Complete Recap of Today's Market Activity

Bigger Picture Starting to Look More Normal

Market Summary: Thursday, April 24, 2025 - 2:40PM

What's "normal" for the bond market? That depends how far back you want to look. Starting in late February, we had about a month of mostly sideways movement in a relatively narrow range as we waited for clarity on new fiscal policies and economic data. The tariff roll-out shook things up, to be sure, but for more than a week now, yields have been back in the same old "normal" pattern. So what's next? That's a good question. It could be a big policy shift, or economic data, or a global market event. No one knows, but we'll know it when we see it.

Market Movement Recap

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|----------|--|
| 08:58 AM | Stronger overnight with additional gains after uneventful data. MBS up a quarter point and 10yr down 6+bps at 4.32 |
| 01:09 PM | No major reaction to ho-hum 7yr auction. 10yr yields down 7.7bps at 4.312 and MBS up 3/8ths of a point. |

Latest Video Analysis



Bonds Lose Almost All The Gains After Inflation Warnings in The Data



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MBS & Treasury Markets

UMBS 5.5	99.20	+0.43	10YR	4.320%	-0.069%	4/24/2025 5:00PM EST
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As a counterpoint to the chart above, consider that shorter term bonds have been trending in the opposite direction and at a faster pace.

How to reconcile the outperformance of 2yr yields vs 10yr yields:
(remember that 2s have a lot in common with intermediate Fed rate expectations)

- UPDATE: Overnight Gains and Uneventful Data
- ALERT: Additional Negative Reprice Risk

Today's Mortgage Rates

30YR Fixed	6.92%	-0.02%	15YR Fixed	6.30%	+0.01%	4/24/2025
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Mortgage Rates Pulled in Two Directions, But End Day Lower

are an extension of the financial market, so it's no surprise that they've been more volatile than normal over the past few weeks as markets react to fiscal headlines. The latest dust-up involved Trump's criticism of Fed Chair Powell which resulted in higher rates over the weekend.

Now today we've had several comments from Trump (starting yesterday evening) saying that he was never planning to fire Powell and just generally conveying a more measured tone. Financial markets responded favorably.

Had this been the only news of the day, rates would have dropped almost an eighth of a point. We can arrive at this conclusion due to trading levels in the bond market at the time. But other news pushed back in the other direction.

Specifically, a closely watched gauge of business activity showed the sharpest spike in prices in 13 months in the services sector and 29 months for the manufacturing sector. Higher inflation begets higher rates, all other things being equal.

Many mortgage lenders were forced to raise rates during the day, ultimately resulting in today's average being only modestly lower than yesterday's.

Time	Event	Actual	Forecast	Prior
Thursday, Apr 24				
8:30AM	Apr/19 Jobless Claims (k) ★	222K	222K	215K
8:30AM	Mar Core CapEx (%) ☆	0.1%	0.2%	-0.3%
8:30AM	Mar Durable goods (%) ☆	9.2%	2%	0.9%
8:30AM	Apr/12 Continued Claims (ml)	1841K	1880K	1885K
10:00AM	Mar Existing home sales (ml) ☆	4.02M	4.13M	4.26M
10:00AM	Mar Exist. home sales % chg (%) ☆	-5.9%	-3%	4.2%
1:00PM	7-Yr Note Auction (bl) ★	44		
5:00PM	Fed Kashkari Speech ☆			
Friday, Apr 25				
10:00AM	Apr U Mich conditions ☆		56.5	63.8
10:00AM	Apr Consumer Sentiment (ip) ☆		50.8	57.0
10:00AM	Apr Sentiment: 5y Inflation (%) ☆		4.4%	4.1%
10:00AM	Apr Sentiment: 1y Inflation (%) ☆		6.7%	5%

Recent Housing News

- Don't Read Too Much Into Builder Confidence (Yet)
- Home Construction Remains Volatile Despite Steady Flow of Building Permits
- Mortgage Applications Pull Back From 5 Month Highs

Read My Latest Newsletter

Mortgage Rates Are Actually Much Lower This Week

Last week, there was a curious, but not uncommon juxtaposition of widespread headlines claiming "lower mortgage rates" and our own headlines suggesting one of the biggest weekly jumps in years. Neither were incorrect, but only one was timely. Survey-based, weekly data served as fuel for the "lower rate" headlines because it failed to capture most of the rate spike. The methodology, which ...

Mortgage Calculators

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