

MARKET SUMMARY

Complete Recap of Today's Market Activity

A Little Early Excitement

Market Summary: Saturday, May 24, 2025 - 3:55AM

Bonds began the day with a bit of excitement following Trump comments on raising EU tariffs to 50%. The reaction was bigger than warranted based on the time of day/week as well as the fact that it's the Friday before a 3 day weekend. All that to say, markets were easier than normal to push around with seemingly relevant headlines. By the time human traders were sorting things out, stocks and bonds were moving back in the opposite direction. The day ultimately ended with modest gains, but at levels that represent the 4th weakest close in 3 months. Ho hum in the bigger picture, but better than a sharp stick in the eye.

Latest Video Analysis



A Little Early Excitement



John "Demo" Lender

VP of Lending, Demo Mortgage Co.

mbsslive.net

P: (704) 555-1212

M: (407) 555-1234

10014 Normal Blvd.
Charlotte NC 28044

NMLS: 123456



MBS & Treasury Markets

UMBS 5.0	96.00	+0.14	10YR	4.514%	-0.022%	5/23/2025 1:59PM EST
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Down a Quarter Point From Highs

Both stocks and bonds reversed course at the 9:30am NYSE open with bonds erasing most of the day's gains since then. MBS are now nearly unchanged and down exactly a quarter point from the highs seen just before 9:30am.

Lenders who priced early in the morning could already be considering negative reprices.

MBS MORNING: Wait... So Tariffs Are Good or Bad For Bonds Now?

MBS MORNING: Conspicuous Absence of Volatility After Data and Spending Bill Vote

Today's Mortgage Rates

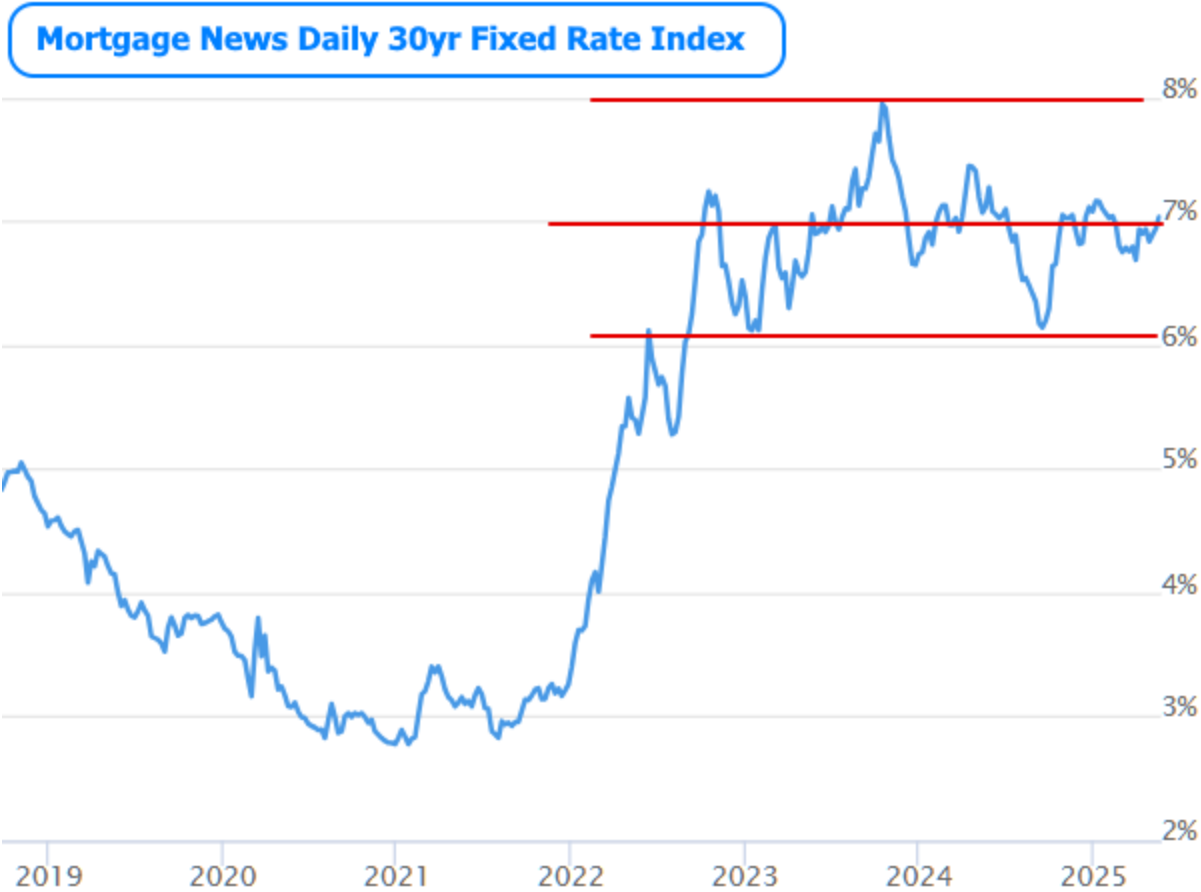
30YR Fixed	7.02%	-0.05%	15YR Fixed	6.30%	-0.07%	5/23/2025
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Mortgage Rates Lower Again Today, But Still Higher on The Week

The bond market is scheduled to close 3 hour earlier than normal today--a common practice surrounding federal holiday weekends. This means 3 fewer hours where trading volatility can have an impact on mortgage rate movement. Said more simply: the day is basically over when it comes to potential intraday rate changes.

There is almost always a bit of rate movement overnight as mortgage lenders react to a new market landscape each morning. Today's happened to be good news for rates, but not quite good enough to get the average top tier 30yr fixed scenario back under 7%.

7% rates aren't new, but it's been more than 3 months since we've seen them with any regularity. Nonetheless, they are quite regular in the bigger picture over the past few years. With a long term high of 8.03% in October 2023 and a subsequent low near 6% about a year later, 7% is exceedingly "middle of the road."



Time	Event	Actual	Forecast	Prior
Friday, May 23				
8:10AM	Apr Building Permits (ml)	1.422M	1.412M	1.481M
10:00AM	Apr New Home Sales (%) (%)	10.9%		7.4%
10:00AM	Apr New Home Sales (ml) ☆	0.743M	0.692M	0.724M
12:00PM	Fed Cook Speech ☆			
2:00PM	Memorial Day Weekend ★★			
Monday, May 26				
12:00AM	Memorial Day ★★			

Recent Housing News

- New Home Sales at 3 Year High, Maybe...
- No Major Change For Existing Home Sales
- Mortgage Demand Impacted by Rising Rates

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Rates Back to 7%. What Will It Take For Them to Drop?

Markets began the week with a hangover from last Friday's late-day announcement of a US credit rating downgrade from Moody's with both stocks and bonds losing ground in early trading. When bonds "lose ground," it means lower prices and higher yields (aka "rates"). While those losses were ultimately almost completely erased by the end of Monday, bonds couldn't find any reasons to keep...

Mortgage Calculators

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- 📊 Should I Refinance?
- 📊 Rent vs. Buy
- 📊 Blended Rate