

# MARKET SUMMARY

Complete Recap of Today's Market Activity

## Minimal Impact From PCE Data

Market Summary: Friday, June 27, 2025 - 2:13PM

Bonds are slightly weaker to start the final trading day of the week, but that has nothing to do with this morning's PCE data. Despite being the Fed's favorite inflation index and despite causing some notable drama in the past, PCE hasn't caused much of a stir recently and today's is no exception. Core monthly inflation was .179 vs a .1 forecast, but elsewhere in the data, sharply lower income and spending were enough to offset the slightly higher inflation. Bonds actually improved a bit, pushing back on overnight weakness, but subsequent headlines regarding the Senate's push to approve its version of the spending bill (implies higher bond issuance, which is bad for rates all else equal). Last but not least, consider the tendency for Friday to push back against a dominant weekly trend regardless of data (i.e. if Mon-Thu did one thing, Friday is more likely to do the other thing).

### Market Movement Recap

- 08:50 AM Slightly weaker overnight and sideways to slightly stronger after data. MBS down 3 ticks (.09) and 10yr up 1.9bps at 4.254
- 09:43 AM 10yr yields are up 5bps at 4.286 and MBS are down 6 ticks on the day (0.19) and an eighth of a point from AM highs.
- 02:02 PM Decent recovery with 10yr nearly unchanged at 3.722 and MBS down 3 ticks (.09).

### Latest Video Analysis



The Trend is Friendly For Now



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## MBS & Treasury Markets

UMBS 5.5	99.81	-0.19	10YR	4.283%	+0.047%	6/27/2025 5:00PM EST
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**UPDATE:** Down an Eighth From Highs

**UPDATE:** PCE Inflation Slightly Higher, But No Major Reaction

## Today's Mortgage Rates

30YR Fixed	6.72%	+0.00%	15YR Fixed	5.96%	+0.00%	6/27/2025
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### Mortgage Rates Not Too Far From 8 Month Lows

Friday's ended up being right in line with Thursday's on average. At 6.72%, the MND daily rate index is as low as it's been since early April when it hit 6.60%.

If you're thinking that 6.72 doesn't sound much higher than 6.60, you're right! Mortgage lenders tend to offer rates in 0.125% increments, so we're really only one notch away from those lows. After that, we'd need to go all the way back to October to see anything lower.

While the mortgage market can languish sideways for weeks without moving outside a 0.12 range, there are also more than a few examples of that much movement in a single day, provided the news is sufficiently inspiring. The catch is that the movement could occur in either direction.

In a general sense, the recent improvement has been a byproduct of slightly softer economic data and inflation. There are key reports that speak to those metrics over the next two weeks. Rates have more room to fall if the data shows a continued softening, but could spike abruptly if employment surges or tariff-driven inflation actually materializes.

Time	Event	Actual	Forecast	Prior
Friday, Jun 27				
7:30AM	Fed Williams Speech ☆			
8:30AM	May Personal Income (%)	-0.4%	0.3%	0.8%
8:30AM	May Inflation-Adjusted Spending (Consumption) (%)	-0.1%	0.1%	0.2%
8:30AM	May Core PCE Inflation (y/y) (%) ★	2.7%	2.6%	2.5%
8:30AM	May Core PCE (m/m) (%) ★★	0.2%	0.1%	0.1%
9:15AM	Fed Hammack Speech ☆			
9:15AM	Fed Cook Speech ☆			
10:00AM	Jun U Mich conditions ☆	64.8	63.7	58.9
10:00AM	Jun Sentiment: 1y Inflation (%) ☆	5%	5.1%	6.6%
10:00AM	Jun Sentiment: 5y Inflation (%) ☆	4%	4.1%	4.2%
10:00AM	Jun Consumer Sentiment (ip) ☆	60.7	60.5	52.2
Monday, Jun 30				
9:45AM	Jun Chicago PMI ☆		42.7	40.5
10:00AM	Fed Bostic Speech ☆			
1:00PM	Fed Golsbee Speech ☆			

Recent Housing News

- Pending Home Sales Data Scores Some Points, But Not Enough to Change The Game
- New Home Sales Drop to Lower End of Range After Hitting The Highs Last Month
- Mortgage Applications Buoyed by FHA Refis

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Fed Holds Steady; Mortgage Rates Fall

This week ended up being underwhelming in terms of interest rate movement despite the much-anticipated Fed announcement on Wednesday. Anticipation aside, there was zero chance of a rate cut at this week's meeting. While that has some voices in the mortgage/housing space up in arms, our pre-Fed thesis bears repeating. This doesn't necessarily mean that mortgage rates wo...

## Mortgage Calculators

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