

MARKET SUMMARY

Complete Recap of Today's Market Activity

Traders Buy The Dip After AM Data

Market Summary: Tuesday, July 1, 2025 - 7:21PM

After a bit of overnight strength and an early morning pull-back, bonds were right in line with yesterday afternoon's levels ahead of the 10am data. JOLTS (job openings) pushed yields back to yesterday's highs--perhaps with some help from the Senate's passage of the spending bill, but at that point, traders bought the dip in bond prices and pushed back into the day's range. It wasn't enough to get back to positive territory, but it made the day less of an obvious turning point in the bigger-picture. Perhaps a better way to say it would be that bonds still look open-minded when it comes to responding to Thursday's jobs report and next week's CPI.

Latest Video Analysis



Traders Buy The Dip After AM Data



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MBS & Treasury Markets

UMBS 5.5	99.93	-0.14	10YR	4.241%	+0.016%	7/1/2025 5:00PM EST
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Weakest Levels of The Day

MBS are now down a quarter point on the day and just over a quarter from the highs. Lenders who priced early in the morning are seeing 6 ticks (.19) of weakness from rate sheet print times and are thus at risk of repricing.

10yr yields are up 5bp at 4.273. Data drove the initial selling, but potential Senate passage of the spending bill is keeping the pressure on.

MBS MORNING: AM Data Possibly Arguing For a Bounce

UPDATE: Giving Up Overnight Gains

Today's Mortgage Rates

30YR Fixed	6.67%	+0.00%	15YR Fixed	5.91%	+0.00%	7/1/2025
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Mortgage Rates Hold Steady at 3 Month Lows

It's been 88 days since the average 30yr fixed mortgage rate was as low as it is today--close enough to 3 months. Some lenders may be higher or lower than they were yesterday depending on whether or not changed rates yesterday afternoon.

Mortgage lenders prefer to set rates once per day, but can "reprice" if the underlying bond market moves enough in one direction or the other. Bonds improved enough yesterday afternoon for many lenders to offer slightly lower rates. Those lenders are a hair higher today, generally.

In terms of the underlying bond market, things are just a bit better right now compared to yesterday morning and just a bit worse compared to yesterday afternoon. That deterioration mainly followed this morning's job openings data which showed another increase from the longer-term lows seen 2 months ago. Rates typically move higher if job openings are higher than expected, all else equal.

But today's data-driven volatility is nothing compared to what could be seen on Thursday morning following the big jobs report (officially, the "Employment Situation" which offers a count of jobs created in June as well as an update to the unemployment rate).

Time	Event	Actual	Forecast	Prior
Tuesday, Jul 01				
9:30AM	Fed Chair Powell Speech ☆			
9:45AM	Jun S&P Global Manuf. PMI ☆	52.9	52	52
10:00AM	Jun ISM Manufacturing Employment	45.0	47	46.8
10:00AM	May Construction spending (%)	-0.3%	-0.2%	-0.4%
10:00AM	May JOLTs Job Quits (ml) ☆	3.293M		3.194M
10:00AM	May USA JOLTS Job Openings (ml) ★	7.769M	7.3M	7.391M
10:00AM	Jun ISM Mfg Prices Paid ★	69.7	69	69.4
10:00AM	Jun ISM Manufacturing PMI ★★	49.0	48.8	48.5
10:10AM	Jul IBD economic optimism	48.6	50.1	49.2
7:00PM	Jun Total Vehicle Sales (ml)	15.3M	15.5M	15.65M
Wednesday, Jul 02				
7:00AM	Jun/27 MBA Purchase Index	165.3		165.2
7:00AM	Jun/27 MBA Refi Index	759.7		713.4
7:30AM	Jun Challenger layoffs (k)	47.999K		93.816K
8:15AM	Jun ADP jobs (k) ☆	-33K	95K	37K
10:30AM	Jun/27 Crude Oil Inventory (ml)	3.845M	-2M	-5.836M

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

Read My Latest Newsletter

Rates Closing in on 8 Month Lows

After going to great lengths to explain why the Fed Funds Rate isn't the same as mortgage rates, we'll now have to discuss how the Fed nonetheless found a way to push rates lower this week. We already know the Fed held rates steady last week, and we've discussed the fact that mortgage rates wouldn't necessarily have fallen even if the Fed had cut the Fed Funds Rate. But mortgage rates definitel...

Mortgage Calculators

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