

# MARKET SUMMARY

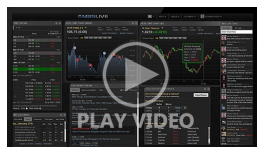
Complete Recap of Today's Market Activity

## Traders Buy The Dip After AM Data

Market Summary: Wednesday, July 2, 2025 - 9:19AM

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



### Nickolas Inhelder

Mortgage Broker, In Clear To Close - InCTC LLC

[www.AslanHLC.com](http://www.AslanHLC.com)

**P:** (720) 446-8778

**M:** (858) 229-9533

[nick@incleartoclose.com](mailto:nick@incleartoclose.com)

1777 S. Harrison St.  
Denver CO 80210

2037157 - CO, FL  
2656899 - AL, CO, FL, SD



## MBS & Treasury Markets

|          |       |       |      |        |         |                     |
|----------|-------|-------|------|--------|---------|---------------------|
| UMBS 5.5 | 99.85 | -0.08 | 10YR | 4.285% | +0.046% | 7/2/2025 5:00PM EST |
|----------|-------|-------|------|--------|---------|---------------------|

### Bonds Erasing Overnight Losses After Sharply Weaker ADP

- ADP Employment
  - -33k vs 95k f'cast, 29k prev

Bonds were moderately weaker in the overnight session but are erasing those losses after ADP employment came out much weaker than expected. 10yr yields are still slightly higher on the day, up 3bps at 4.27, but this has to do with yield curve steepening. 5yr yields, on the other hand, are back to unchanged.

MBS are also back to unchanged, which is understandable given their closer relationship with 5yr Treasuries these days. Either way, markets aren't going to crazy on this single report as it frequently gives a contrary signal to nonfarm payrolls.

**ALERT:** Weakest Levels of The Day

**MBS MORNING:** AM Data Possibly Arguing For a Bounce

## Today's Mortgage Rates

|            |       |        |            |       |        |          |
|------------|-------|--------|------------|-------|--------|----------|
| 30YR Fixed | 6.73% | +0.06% | 15YR Fixed | 5.97% | +0.06% | 7/2/2025 |
|------------|-------|--------|------------|-------|--------|----------|

### 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    |
|-------------------|---------------------------------|----------|----------|----------|
| 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  |
| Thursday, Jul 03  |                                 |          |          |          |
| 8:30AM            | Jun Average earnings mm (%) ★   | 0.2%     | 0.3%     | 0.4%     |
| 8:30AM            | May Trade Gap (bl)              | \$-71.5B | \$-71B   | \$-61.6B |
| 8:30AM            | Jun/21 Continued Claims (ml)    | 1964K    | 1960K    | 1974K    |
| 8:30AM            | Jun Non Farm Payrolls (k) ★★    | 147K     | 110K     | 139K     |
| 8:30AM            | Jun/28 Jobless Claims (k) ★     | 233K     | 240K     | 236K     |
| 8:30AM            | Jun Unemployment rate mm (%) ★★ | 4.1%     | 4.3%     | 4.2%     |
| 8:30AM            | Jun Participation Rate ☆        | 62.3%    |          | 62.4%    |
| 9:45AM            | Jun S&P Global Services PMI ★★  | 52.9     | 53.1     | 53.7     |
| 9:45AM            | Jun S&P Global Composite PMI ☆  | 52.9     | 52.8     | 53       |
| 10:00AM           | May Factory orders mm (%)       | 8.2%     | 8.2%     | -3.7%    |
| 10:00AM           | Jun ISM Biz Activity ★          | 54.2     |          | 50.0     |
| 10:00AM           | Jun ISM Services Prices         | 67.5     |          | 68.7     |
| 10:00AM           | Jun ISM Services Employment     | 47.2     |          | 50.7     |
| 10:00AM           | Jun ISM N-Mfg PMI ★★            | 50.8     | 50.5     | 49.9     |
| 11:00AM           | Fed Bostic Speech ☆             |          |          |          |
| 2:00PM            | Happy 4th!! ★★                  |          |          |          |

### 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

## 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

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