

MARKET SUMMARY

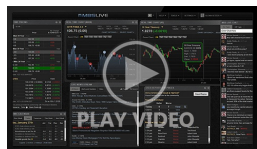
Complete Recap of Today's Market Activity

Bonds Unfazed by Econ Data

Market Summary: Friday, July 18, 2025 - 2:09AM

If you had to guess at the bond market's response this morning based solely on the outcome of the 8:30am economic data, you'd be very well justified in assuming some selling/weakness. While that may have been the case for a few moments, it was quickly replaced by bond buying as traders parsed the Retail Sales internals, revisions, and especially the inflation-adjusted spending implications. In a nutshell, the report showed an ongoing downtrend in discretionary consumer spending and that ended up being the trade of the day--even if it wasn't a super huge trade. This was enough to keep bonds in positive territory for most of the day, despite an afternoon correction back to unchanged levels.

Latest Video Analysis



Bonds Unfazed by Econ Data



Dennis Hughes

Mortgage Broker, Lend4less
Home Loans

Lend4less.com

P: (209) 602-4900

M: (209) 602-4900

dennis@lend4less.com

2209 Hartvickson Lane
Valley Springs CA 95252

Loan Officer NMLS #178729

Company NMLS #2179191

CA Dept of RE Broker 01001409



EQUAL HOUSING
OPPORTUNITY

MBS & Treasury Markets

UMBS 5.5	99.14	+0.02	10YR	4.443%	-0.011%	7/18/2025 6:09AM EST
----------	-------	-------	------	--------	---------	----------------------

Down an Eighth From Highs

This is more of a heads-up than a true "alert." MBS are now unchanged on the day and down an eighth of a point from AM highs. Some lenders priced during those highs and the jumpiest among them could technically justify a small negative reprice. Not likely, but not impossible.

10yr yields are up half a bp at 4.463.

There's no new news driving this move, just the same gradual selling over the past few hours finally adding up.

MBS MORNING: Decent Start Despite Stronger Retail Sales Headline

UPDATE: Stronger Retail Sales; Not Much of a Reaction

Today's Mortgage Rates

30YR Fixed	6.82%	-0.01%	15YR Fixed	6.07%	-0.01%	7/17/2025
------------	-------	--------	------------	-------	--------	-----------

Mortgage Rates Staying Broadly Sideways

Despite all of the economic data and news headlines over the past few days, have barely budged since last Friday. That was not what we expected this week given the anticipation for the inflation reports that came out on Tuesday and Wednesday.

Now today, a seemingly balmy Retail Sales report (something that would normally push rates higher) ended up being no big deal for the bond market that underlies mortgage rates. There's some rational justification for the paradox, however. After adjusting for inflation, the retail sales categories that speak to discretionary spending suggested an ongoing slowdown (something that would normally be good for rates).

The underlying bond market actually improved after this morning's data, but not enough to cause a big move in mortgage rates. With that, we have yet another day where the average 30yr fixed rate has changed by only 0.01 to 0.02%--about as small as day to day movement gets.

The economic calendar gets less interesting over the next two weeks. It won't be until the next jobs report in early August that we get our next major flashpoint--at least in terms of things that adhere to a schedule. Unexpected headline developments are always a potential source of volatility.

Time	Event	Actual	Forecast	Prior
Friday, Jul 18				
12:00AM	Roll Date - Ginnie Mae 30YR			
8:30AM	Jun Building Permits (ml)	1.397M	1.39M	1.394M
8:30AM	Jun Housing starts number mm (ml)	1.321M	1.30M	1.256M
10:00AM	Jul Sentiment: 1y Inflation (%) ☆			5%
10:00AM	Jul Sentiment: 5y Inflation (%) ☆			4%
10:00AM	Jul U Mich conditions ☆		63.9	64.8
10:00AM	Jul Consumer Sentiment (ip) ☆		61.5	60.7
Monday, Jul 21				
10:00AM	Jun CB Leading Index MoM (%)		-0.1%	-0.1%

Recent Housing News

- Big Jump in Mortgage Demand, But Rates Are Already Rising Again
- Refis Pick Up Steam as Rate Relief Returns
- Pending Home Sales Data Scores Some Points, But Not Enough to Change The Game

Read My Latest Newsletter

After Holiday Hangover, Rates Are Ready to Get Serious About Inflation Data

Mortgage rates partied hard for most of June and into the middle of last week--right up until stronger economic data killed the vibe. The resulting bounce in rates carried momentum through to the beginning of this week, but from there on out, things were broadly sideways. That's not too surprising considering the lack of virtually any major economic data this week. Such data is one of the...

Mortgage Calculators

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