

MARKET SUMMARY

Complete Recap of Today's Market Activity

Mixed ISM Data Keeps Bonds In The Game

Market Summary: Tuesday, August 5, 2025 - 2:22PM

The ISM Services Index is/was easily this week's biggest ticket in terms of scheduled economic data. It was mostly OK for bonds with the growth-related components coming in slightly weaker. But the "prices paid" component remains problematic. At 69.9 vs 67.5 previously, the price component is at another new post-pandemic high for the 4th time this year. And of course, inflation is the biggest impediment to lower rates at the moment. Nonetheless, the remainder of the report was downbeat enough to offset the inflation implications, but just barely. Bonds are now just about unchanged after starting the day slightly weaker.

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Calmly Closing at Best Levels Since April



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MBS & Treasury Markets

UMBS 5.5	100.22	-0.01	10YR	4.215%	+0.022%	8/5/2025 5:00PM EST
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UPDATE: Small, Friendly Bounce After ISM Data

MBS MORNING: Holding Friday's Gains

Today's Mortgage Rates

30YR Fixed	6.58%	+0.01%	15YR Fixed	5.93%	+0.02%	8/5/2025
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Lowest Mortgage Rates Since Early October

are driven by movement in the bond market and bonds take cues from economic data, among other things. The monthly jobs report is routinely the most closely watched economic report as far as bonds are concerned and Friday's caused a significant amount of bond buying (which, in turn, pushes rates down).

Friday's reaction was so big that the average mortgage lender didn't fully adjust their rate offerings to match the market movement. This is typical of very large swings in bonds. It also meant that we merely needed today's bond market levels to hold steady in order for rates to continue lower and that's exactly what happened.

In fact, bonds ultimately improved just a hair, but even before that, mortgage lenders were out with their lowest rates since early October.

[thirtyyearmortgagerates]

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Tuesday, Aug 05				
8:30AM	Jun Trade Gap (bl)	\$-60.2B	\$-61.6B	\$-71.5B
9:45AM	Jul S&P Global Services PMI ☆	55.7	55.2	52.9
9:45AM	Jul S&P Global Composite PMI ☆	55.1	54.6	52.9
10:00AM	Jul ISM N-Mfg PMI ★★	50.1	51.5	50.8
10:00AM	Jul ISM Services Employment ☆	46.4		47.2
10:00AM	Jul ISM Services New Orders ☆	50.3		51.3
10:00AM	Jul ISM Services Prices ☆	69.9		67.5
10:00AM	Jul ISM Biz Activity ☆	52.6		54.2
10:10AM	Aug IBD economic optimism	50.9	49.2	48.6
1:00PM	3-Yr Note Auction (bl)	58		
Wednesday, Aug 06				
7:00AM	Aug/01 MBA Purchase Index	158.0		155.6
7:00AM	Aug/01 MBA Refi Index	777.4		739.3
10:30AM	Aug/01 Crude Oil Inventory (ml)		-1.1M	7.698M
1:00PM	10-yr Note Auction (bl) ★		42	
2:00PM	Fed Cook Speech ☆			

Recent Housing News

- [Mortgage Applications Fall as Rates Held Near Highs](#)
- [Pending Home Sales Slip Again, Underscoring Market Stagnation](#)
- [Home Prices Still Rising Year-Over-Year, But Momentum Is Fading](#)

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The Jobs Report Was a Mess—Mortgage Rates Loved It

Last week, we said all bets were off until we saw Friday’s jobs report—and that no other piece of economic data moves mortgage rates more reliably. This week proved why that warning is always worth repeating. It’s not that the rest of the week was boring. In fact, the calendar from Monday through Thursday was packed with potentially interesting updates. Highlights included the...

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