MARKET SUMMARY
Complete Recap of Today's Market Activity

Bonds Hold The Range Despite More Data-Driven Volatility

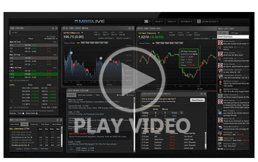
Market Summary: Thursday, August 14, 2025 - 7:35PM

At 0.9, not only did today's PPI crush the 0.2 forecast, but it's also the highest reading since post-covid hyper-inflation by a wide margin. And while there's always a chance it will be revised to something less alarming next month, it was enough to do noticeable damage to bonds today. Before the data, 10yr yields were knocking on the yield floor at 4.20%. This afternoon, they're up closer to 4.30%. Things could have been even worse if not for the fact that the PCE components in the PPI data suggested a much less onerous impact on the PCE data that will come out in 2 weeks. Nonetheless, it will be enough to keep eyebrows raised regarding the extent to which tariffs are hindering a return to the 2% inflation target (something that will unfortunately be up in the air for many months).

Market Movement Recap

08:43 AM	stronger overnight but losing ground after PPI. MBS unchanged and 10yr nearly unchanged at 4.237
11:14 AM	Additional weakness now. MBS down an eighth and 10yr up 3.7bps at 4.278
11:45 AM	MBS down 6 ticks (.19) and 10yr up 5bps at 4.291
01:38 PM	Off the weakest levels. MBS down 5 ticks (.16) and 10yr up 4.8bps at 4.289

Latest Video Analysis



Bonds Hold The Range Despite More Data-Driven Volatility

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MBS & Treasury Markets

UMBS 5.5	100.14	-0.17	10YR	4.285%	+0.045%	8/14/2025 5:00PM EST

Additional Weakness. Some Negative Reprice Risk

After working through the AM volatility, bonds have continued losing ground at modest pace. Losses are adding up now--not in the bigger picture, but in intraday terms. 10yr yields are up 4.4bps on the day at 4.285 and MBS are down an eighth of a point.

For MBS, this is an eighth of a point below some of the early lenders' rate sheet print times. Most lenders tend to price conservatively on a morning with data-driven weakness, but the jumpiest lenders could see this as the threshold of reprice risk consideration.

MBS MORNING: Producer Prices Surge, Complicating The Rate Cut Outlook

ALERT: Huge Jump in PPI Hurting Bonds

Today's Mortgage Rates

30YR Fixed	6.56%	+0.03%	15YR Fixed	5.94%	+0.04%	8/14/2025

Mortgage Rates Mostly Steady Despite Some Market Volatility

hit fresh long term lows yesterday with the average top tier 30yr fixed rate at the best levels since October 3rd, 2024. There wasn't anything exceptional about the movement yesterday or on any other day in the past week. Rather, it was the jobs report at the beginning of the month that accounted for a 2-day rally. Rates have been holding near longer-term lows with little fanfare ever since.

Because mortgage rates are based on bonds, the absence of fanfare reflects an absence of volatility in the underlying bond market. Today presented the biggest threat to that calm trend since the August 1st jobs report. Unlike the jobs report, today's inflation data caused a volatile reaction in an unfriendly direction.

In other words, the economic data put upward pressure on rates. The catch is that rates were set to start the day at even lower levels before the data came out. The net effect is another day of fairly minimal change.

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Thursday, Aug 14				
8:30AM	Aug/02 Continued Claims (k)	1953K	1960K	1974K
8:30AM	Jul Producer Prices (%)	0.9%	0.2%	0%
8:30AM	Aug/09 Jobless Claims (k) ★	224K	228K	226K
8:30AM	Jul Core Producer Prices YY (%) ★	3.7%	2.9%	2.6%
8:30AM	Jul Core Producer Prices MM (%) ★	0.9%	0.2%	0%
2:00PM	Fed Barkin Speech ☆			
Friday, Aug 15				
12:00AM	Roll Date - UMBS 15YR, Ginnie Mae 15YR			
8:30AM	Jul Export prices mm (%)		0.1%	0.5%
8:30AM	Jul Import prices mm (%)		0%	0.1%
8:30AM	Jul Retail Sales (ex-autos) (%)		0.3%	0.5%
8:30AM	Aug NY Fed Manufacturing ☆		0	5.50
8:30AM	Jul Retail Sales (%) ☆		0.5%	0.6%
8:30AM	Jul Retail Sales Control Group MoM ★		0.4%	0.5%
9:15AM	Jul Industrial Production (%) ☆		0%	0.3%
10:00AM	Jun Business Inventories (%) ☆		0.2%	0%
10:00AM	Aug Consumer Sentiment (ip) ☆		62	61.7
10:00AM	Aug U Mich conditions ☆		67.9	68.0
10:00AM	Aug Sentiment: 5y Inflation (%) ☆			3.4%
10:00AM	Aug Sentiment: 1y Inflation (%) ☆			4.5%
12:00PM	NOPA Crush Report (%)			

Recent Housing News

- Refi Demand Surged as Rates Hit Longer-Term Lows
- Falling Rates Spark Modest Rebound in Mortgage Applications
- Mortgage Applications Fall as Rates Held Near Highs

Read My Latest Newsletter

Calmly Holding the Lowest Rates Since October, But for How Long?

Last Friday's jobs report sparked a big rally in the bond market, and thus a big improvement for mortgage rates. This week was very light in terms of market data and volatility, but it helped solidify the improvement from the jobs report. Specifically, the average lender wasn't even able to fully adjust their rates to account for market movement last Friday. When bonds maintained those ga...

Mortgage Calculators

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