

MARKET SUMMARY

Complete Recap of Today's Market Activity

Almost No Reaction to Fed Minutes

Market Summary: Thursday, August 21, 2025 - 9:44AM

As expected, today's Fed Minutes (a more detailed account of the meeting that took place 3 weeks ago) had very little impact on the bond market. Markets honed in on one newswire in particular which noted the Fed saw inflation risks outweighing employment risks. This, of course, is because the data had yet to more forcefully suggest employment risk at the time (2 days before the downbeat jobs reports). It's arguably more important that many Fed members view tariff inflation risks as a process that could take many more months to unfold. That leaves us in the same position as before: waiting for labor market data to really deteriorate before expecting any major additional rate relief. This could happen in as little as 2 weeks, but it depends on the jobs report. As for Fed rate cuts, September is still priced in, and December is just as likely as it was this morning despite some volatility in Fed Funds Futures mid-day.

Market Movement Recap

- 08:37 AM MBS are now down only 1 tick (.03) and 10yr yields are close to unchanged at 4.296 after being over 4.315 just before the data.
- 09:03 AM 10yr yields are back up to 4.312 (up 1.8bps on the day) and MBS are down 3 ticks (.09) on the day.

Latest Video Analysis



Almost No Reaction to Fed Minutes



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UMBS 5.5	99.93	-0.12	10YR	4.330%	+0.035%	8/21/2025 1:44PM EST
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And.... It's Gone (Post Data Rally Erased)

This is more of an addendum to the previous update. MBS had rallied 2 ticks (.06) from opening lows and have since erased that gain. We're now 3 ticks (.09) lower vs yesterday's close. Due to the time of day, there are no negative reprice implications.

10yr yields are back up to 4.312 after briefly rallying under 4.30 following the data.

- UPDATE: Erasing Some Overnight Losses After Data
- MBS MORNING: FOMC Minutes: Ancient Time Capsule, Or...

Today's Mortgage Rates

30YR Fixed	6.62%	+0.01%	15YR Fixed	5.97%	+0.00%	8/21/2025
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Mortgage Rates Barely Budge

For the 11th straight business day, are very close to the levels from the end of the previous day. Over the past week, however, most of these small day-to-day movements have been microscopically higher. Today's is no exception.

The net effect is that the average top tier 30yr fixed rate is up from 6.53% last Wednesday to 6.61% today. Even that is a fairly minor move in the bigger picture, but it would certainly make for a weaker rate quote if Wednesdays happened to be your mortgage rate shopping days.

To put the overall change in specific, relatable terms, the average borrower would have to pay 0.4% in points to get the same rate quoted last Wednesday. This equates to \$400 for every \$100k borrowed.

Today's modestly higher rates were in place before the afternoon release of the minutes from the most recent Fed meeting (3 weeks ago). The minutes didn't offer any major new revelations beyond those already seen in recent weeks from individual Fed speeches.

Time	Event	Actual	Forecast	Prior
Thursday, Aug 21				
7:30AM	Fed Bostic Speech ☆			
8:30AM	Aug/16 Jobless Claims (k) ★	235K	225K	224K
8:30AM	Aug Philly Fed Business Index ☆	-0.3	7	15.9
8:30AM	Aug Philly Fed Prices Paid	66.80		58.80
8:30AM	Aug/09 Continued Claims (k)	1972K	1960K	1953K
9:45AM	Aug S&P Global Composite PMI ☆	55.4		55.1
9:45AM	Aug S&P Global Manuf. PMI ☆	53.3	49.5	49.8
9:45AM	Aug S&P Global Services PMI ★★	55.4	54.2	55.7
10:00AM	Jul CB Leading Index MoM (%)	-0.1%	-0.1%	-0.3%
10:00AM	Jul Existing home sales (ml) ☆	4.01M	3.92M	3.93M
10:00AM	Jul Exist. home sales % chg (%) ☆	2%		-2.7%
1:00PM	30-Yr Bond Auction (bl) ☆	8		
8:00PM	Jackson Hole Symposium ☆			
Friday, Aug 22				
10:00AM	Fed Chair Powell Speech ★★			
8:00PM	Jackson Hole Symposium ☆			

Recent Housing News

- Mortgage Applications Inconsequentially Lower vs Last Week
- Incentives Rise as Builder Confidence Matches 2022 Low
- Multifamily Construction Surge Masks Weaker Building Permit Pipeline

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Mortgage Rates Hit 10-Month Lows — Here’s Why a Fed Cut Might Not Help

Inflation data was in focus this week, with one major report helping mortgage rates officially hit new 10-month lows before the 2nd report pushed back in the other direction. The biggest report, Tuesday’s Consumer Price Index (CPI), was generally friendly for rates despite coming in right in line with forecasts. Some categories showed tariff-related price pressures, but easing in hou...

Mortgage Calculators

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