

MARKET SUMMARY

Complete Recap of Today's Market Activity

Bonds Cheer Powell Pivot

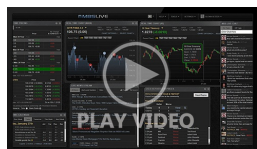
Market Summary: Friday, August 22, 2025 - 11:48AM

Today's Jackson Hole speech gave Fed Chair Powell an opportunity to adjust his stance in light of much weaker jobs report that came out 2 days after the last Fed meeting. Powell had quite a bit to say, but the only thing the market really needed hear in order to facilitate a reaction was that the balance of risks may warrant adjusting policy. A close second was that tariff-driven inflation was unlikely to be a lasting dynamic given the downside risks to the labor market. Bonds rallied instantly on the release of the speech with short-term yields logically leading the way (due to their closer connection to Fed rate expectations). September rate cut odds moved back to the 90%+ levels seen earlier this week. 10yr yields are back in the middle of their August range and MBS are back near 2025's highs.

Market Movement Recap

- 09:56 AM Flat overnight and slightly stronger in early trading. MBS up 1 tick (.03) and 10yr down 1.8bps at 4.309
- 10:16 AM Sharp rally after Powell speech. MBS up 10 ticks (.31) and 10yr down 7.2bps at 4.254

Latest Video Analysis



Inflation Data and Fed Comments Creating Headwinds



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UMBS 5.5	100.38	+0.39	10YR	4.258%	-0.069%	8/22/2025 3:48PM EST
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Bonds Cheer Powell Pivot

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- UPDATE: Bonds Rallying on Dovish Powell
- ALERT: Losing More Ground After Fed's Hammack Comments

Today's Mortgage Rates

30YR Fixed	6.52%	-0.10%	15YR Fixed	5.90%	-0.07%	8/22/2025
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Mortgage Rates Inch Higher Yet Again

In a world (like this one) where are dictated by bond market movement and where bonds take cues from certain economic reports, weeks like this one can be frustrating or boring. Until today, there haven't been any actionable economic reports to inspire a bond market reaction.

Unfortunately, today's data was relatively unfriendly for rates, primarily due to inflation implications in two separate reports (Philly Fed Index and S&P PMIs). Bonds also care about comments from Fed speakers and there were headwinds on that front as well with the Fed's Beth Hammack saying the data don't currently support a rate cut at the September meeting.

On a positive note, the damage to the bond market was minimal in the bigger picture. Thus, the impact on average mortgage rates was also minimal. While it's true that today's rates are the highest in nearly 3 weeks and 0.09% higher than the recent lows, it's also true that, apart from those 3 weeks, these are still the lowest rates since October 2024 and 0.13% lower than July 31st.

[thirtyyearmortgagerates]

Time	Event	Actual	Forecast	Prior
Friday, Aug 22				
10:00AM	Fed Chair Powell Speech ★★			
10:07AM	Powell at Jackson Hole ★★			
8:00PM	Jackson Hole Symposium ☆			
Monday, Aug 25				
8:00AM	Jul Building Permits (ml)		1.354M	1.393M
10:00AM	Jul New Home Sales (%) (%)			0.6%
10:00AM	Jul New Home Sales (ml) ☆		0.63M	0.627M

Recent Housing News








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- Mortgage Applications Inconsequentially Lower vs Last Week
- Incentives Rise as Builder Confidence Matches 2022 Low

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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...

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-  Rent vs. Buy
-  Blended Rate