

MARKET SUMMARY

Complete Recap of Today's Market Activity

Light Data Calendar Leaves Focus on Treasury Auctions. Do Earnings Matter?

Market Summary: Wednesday, August 27, 2025 - 1:08PM

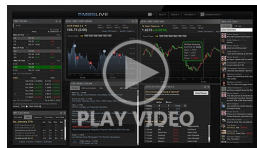
Not that this week's economic calendar is especially robust, but Wednesday's offerings are especially light. There are no monthly economic reports on tap and no major events. The only potential market mover on the calendar is the 1pm auction of 5yr Treasury notes. Treasury auctions are very inconsistent when it comes to their impact on trading levels. They frequently have no impact and occasionally have a modest impact. On rare occasions, they can prompt some of the week's biggest moves, but again, that's the exception. Outside the bond market, NVDA reports earnings today and considering the stock's influence on broader averages, it could create some volatility late in the day. Generally speaking, earnings season is not too relevant for the bond market. The exception is among companies that typically launch huge [corporate bond](#) offerings around the same time. NVDA is not one of those companies.

Market Movement Recap

09:32 AM fairly flat overnight with some selling at 8:20am CME open. MBS down 2 ticks (.06) and 10yr up 1.7bps at 4.281

01:05 PM No major reaction to ho-hum 5yr auction. MBS up 1 tick (.03) and 10yr down 1.5bps at 4.251

Latest Video Analysis



Does Yield Curve Steepening Matter



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UMBS 5.5	100.54	+0.07	10YR	4.235%	-0.029%	8/27/2025 5:08PM EST
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Light Data Calendar Leaves Focus on Treasury Auctions. Do Earnings Matter?

Not that this week's economic calendar is especially robust, but Wednesday's offerings are especially light. There are no monthly economic reports on tap and no major events. The only potential market mover on the calendar is the 1pm auction of 5yr Treasury notes. Treasury auctions are very inconsistent when it comes to their impact on trading levels. They frequently have no impact and occasionally have a modest impact. On rare occasions, they can prompt some of the week's biggest moves, but again, that's the exception. Outside the bond market, NVDA reports earnings today and considering the stock's influence on broader averages, it could create some volatility late in the day. Generally speaking, earnings season is not too relevant for the bond market. The exception is among companies that typically launch huge offerings around the same time. NVDA is not one of those companies.

Bonds are starting the day fairly close to their strongest levels of the past 2 weeks--especially MBS.

- MBS MORNING: Another Slow Start Despite Underlying Drama
- MBS MORNING: New Week, Same Struggles

Today's Mortgage Rates

30YR Fixed	6.51%	-0.01%	15YR Fixed	5.88%	-0.02%	8/27/2025
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Mortgage Rates Back in Line With Long-Term Lows

tend to move at least a little every day although they haven't been moving too much in the bigger picture recently. The only truly memorable move in the past few months occurred after the August 1st jobs report. It resulted in a 2-day drop from 6.75% to 6.57%.

The next closest contender was last Friday's reaction to Fed Chair Powell's Jackson Hole speech which took the index from 6.62 to 6.52. So far this week, we've been holding very close to those levels. Yesterday saw a modest bump and today pushed rates back down to Friday's levels. The end.

This week's movements could be classified as incidental, random drift. Such a trend is a logical interlude separating the news and events that actually matter to the big picture rate trend. Barring a major, unexpected development, the next high-consequence event is the jobs report due out next Friday. It would be no surprise to see a fairly drifty trend prevail until then.

Time	Event	Actual	Forecast	Prior
Wednesday, Aug 27				
7:00AM	Aug/22 MBA Purchase Index	163.8		160.3
7:00AM	Aug/22 MBA Refi Index	894.1		926.1
10:30AM	Aug/22 Crude Oil Inventory (ml)	-2.392M	-2M	-6.014M
11:30AM	2-Yr Note Auction (bl)	28		
11:30AM	2-Year FRN Auction (%)	0.195%		0.159%
12:45PM	Fed Barkin Speech ☆			
1:00PM	5-Yr Note Auction (bl) ★	70		
Thursday, Aug 28				
8:30AM	Q2 Corporate profits (%)			-3.3%
8:30AM	Aug/16 Continued Claims (k)		1970K	1972K
8:30AM	Q2 GDP Final Sales (%)		6.3%	-3.1%
8:30AM	Q2 GDP deflator (%)		2%	3.8%
8:30AM	Q2 Core PCE Prices QoQ Final ☆		2.6%	3.5%
8:30AM	Q2 GDP (%) ★		3.1%	-0.5%
8:30AM	Aug/23 Jobless Claims (k) ★		230K	235K
10:00AM	Jul Pending Home Sales (%) ☆		-0.1%	-0.8%
1:00PM	7-Yr Note Auction (bl) ★		44	
6:00PM	Fed Waller Speech ☆			

Recent Housing News

- Existing Home Market Still Crawling Along The Bottom Despite Modest Bounce
- Mortgage Applications Inconsequentially Lower vs Last Week
- Incentives Rise as Builder Confidence Matches 2022 Low

Read My Latest Newsletter

Powell's Speech Greased The Skids For Rates to Slide to 2025 Lows

If you read nothing else below, read this: people are talking about stronger odds of a Fed rate cut in September. Some people assume this means mortgage rates would move lower after that potential rate cut. Those people are wrong, and there is memorable evidence from late 2024 when mortgage rates moved quickly higher from long term lows mere days after the Fed's September rate cu...

Mortgage Calculators

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