

# MARKET SUMMARY

Complete Recap of Today's Market Activity

## Another Weak Jobs Report. Another Bond Rally

Market Summary: Friday, September 5, 2025 - 10:59AM

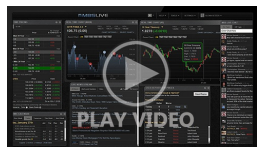
It's a fairly straightforward morning with NFP coming in much weaker than expected with additional net-negative revisions to the previous 2 months. The only real caveat is that the unemployment rate suggests a more gentle softening of labor market conditions--a fact that likely accounts for 10yr yields "only" being 6-7bps lower in the first half hour of post-NFP trading. The other way to account for it is to say that bonds had already rallied from 4.3 to 4.16 in the 3 days leading up to this morning. That overall move is about the same size as the 8/1 post-NFP rally. Either way, bad news for labor market is good news for rates.

### Market Movement Recap

08:41 AM Stronger after NFP. MBS up a quarter point and 10yr down 6.1bps at 4.097

09:15 AM Rally continues. MBS up 3/8ths and 10yr down 9bps at 4.069

### Latest Video Analysis



Bonds Positioning For Weak Jobs Report?



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UMBS 5.5	101.10	+0.30	10YR	4.079%	-0.079%	9/5/2025 10:58AM EST
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- UPDATE: First Move After NFP is Stronger
- MBS MORNING: Mixed Data. Mixed Reaction

## Today's Mortgage Rates

30YR Fixed	6.29%	-0.16%	15YR Fixed	5.60%	-0.21%	9/5/2025
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## Mortgage Rates Hit Another 2025 Low Ahead of a Potentially Volatile Friday

The jobs report is the most important scheduled event each month as far as are concerned. The last installment helped get the average 30yr fixed rate down from 6.75 to 6.50 because it came out much weaker than expected (in addition to revising the previous two months lower as well).

The shift in the labor market outlook led the market to firmly price-in a Fed rate cut at the next Fed meeting in 2 weeks. Other economic reports since then have been a bit less dire, but still suggested enough economic uncertainty for rates to stay at recent lows.

Today's data was the latest example. It wasn't far from market expectations, but that left the door open for traders to continue hedging against the possibility of more labor market deterioration in tomorrow's report. Average 30yr fixed rates moved just a bit lower and are now at another new low for 2025 (lowest since October 3rd, 2024).

The rate rally could easily accelerate if the jobs report is weaker than expected. But if the data is surprisingly strong, rates would almost certainly move back up. The magnitude of either move would depend on the magnitude of the surprise in the data.

Time	Event	Actual	Forecast	Prior
Friday, Sep 05				
8:30AM	Aug Participation Rate ☆	62.3%		62.2%
8:30AM	Aug Average earnings mm (%) ★	0.3%	0.3%	0.3%
8:30AM	Aug Unemployment rate mm (%) ★★	4.3%	4.3%	4.2%
8:30AM	Aug Non Farm Payrolls (k) ★★	22K	75K	73K
Monday, Sep 08				
11:00AM	Aug Consumer Inflation Expectations ☆			3.1%
3:00PM	Jul Consumer credit (bl)		\$10.1B	\$7.37B

Recent Housing News

- Refi Demand Improves While Purchase Applications Edge Lower
- Home Prices Still Growing, But at The Slowest Pace Since 2012
- New Home Market Remains Stuck in Neutral

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# Calm Before the Storm: Rates Drift to 11-Month Lows Ahead of Critical Jobs Report

This past week was a classic placeholder for mortgage rates. With no big-ticket reports on the calendar, volatility stayed about as low as it gets. But even without fireworks, the market quietly added up small, steady improvements each day, ultimately pushing rates to their lowest levels since October 3rd, 2024. Each move was subtle. Rates never moved more than 0.02% on any given day. That...

Mortgage Calculators

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