MARKET SUMMARY

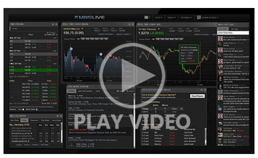
Complete Recap of Today's Market Activity

Textbook Reaction With Minimal Volatility

Market Summary: Friday, September 5, 2025 - 10:39PM

The bond market's reaction to today's jobs report was a textbook example. The job count was much weaker than expected, though not extreme, and revisions cast further shade on the recent employment trends. Bonds responded with a rally that was equally brisk and at no more risk of being labeled "extreme." Case in point, MBS were only up .375-ish at today's highs compared to the full point of improvement seen after the last jobs report. The absence of volatility after the initial move was nothing short of refreshing. Rare is the NFP day without any major lead changes or reprices.

Latest Video Analysis



Textbook Reaction With Minimal Volatility

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MBS & Treasury Markets

UMBS 5.5	101.14	+0.34	10YR	4.087%	-0.071%	9/5/2025 4:52PM EST

Heads-Up: MBS Down an Eighth From Mid-Day Highs

This isn't necessarily a typical reprice alert that connotes a high risk of impending price changes. Rather, it's a heads-up to let you know that 5.5 and 5.0 coupons are both down at least an eighth of a point from mid-day highs. A jumpy lender who came out with strong pricing could technically justify a small, negative reprice if they were so inclined.

Again, such reprices aren't necessarily likely, but they can't be completely ruled out on a day with such big moves in rate sheets and high lock volume.

The best way to use this alert is as a cue to lock IF you were already planning on locking before the end of the day. In other words, there's no sense in waiting for additional improvements at this point. That said, we're not seeing the type of reversal that carries implications for next week's trading levels.

COMMENTARY: A Quick Note on Why Rates Seem to Drop More Quickly as They Approach Certain Thresholds

MBS MORNING: Another Weak Jobs Report. Another Bond Rally

Today's Mortgage Rates

30YR Fixed	6.29%	-0.16%	15YR Fixed	5.60%	-0.21%	9/5/2025

Mortgage Rates Plummet Back to Fall 2024 Levels

It's a well-known fact that the monthly jobs report is more capable of causing big reactions in rates than any other economic data. It happened last month in grand fashion, and it is happening again this morning.

Nonfarm Payrolls (NFP), which is a count of new jobs created, came in at a mere 22k for August versus a median forecast of 75k. This is actually not the biggest miss when it comes to NFP, but it's big enough to spark a reaction in the bond market.

In general, weaker jobs numbers prompt investors to buy bonds. When investors buy bonds, the price of those bonds goes up. When bond prices go up, rates go down.

Today's net effect is an average top tier 30yr fixed rate drop from 6.45% yesterday to 6.29% today. This is back in the same range as the low rates in the Fall of 2024.

[thirtyyearmortgagerates]

Economic Calendar

Last Week | This Week | Next Week

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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Job Count and Mortgage Rates Go Cliff-Diving

Rates actually began the week with a modest move higher for a variety of boring, technical reasons that no one will remember or care about after seeing how things ended up on Friday. The move was already reversing on Wednesday with help from economic data (lower Job Openings in July, not to be confused with Friday's jobs report for August). At that point, rates had already officially hit new 11...

Mortgage Calculators

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