MARKET SUMMARY
Complete Recap of Today's Market Activity

Bonds Easily Clearing Last Pre-Fed Hurdle

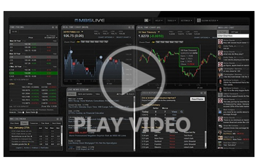
Market Summary: Tuesday, September 16, 2025 - 11:44AM

After last week's CPI data was taken mostly in stride, the only other potential economic data hurdle was this morning's Retail Sales report. Whereas CPI was merely on the hotter side of the consensus, Retail Sales came out unequivocally stronger, with the control group hitting the 6.0% mark in year-over-year terms. Even after subtracting 3% annual inflation, this is a strong economic signal and it was no surprise to see bonds lose ground immediately following the release. It's been more of a surprise to see a reversal of those losses and a return to modestly positive territory less than an hour after the data. There's actually no obvious reason for it without relying on educated guesses.

Market Movement Recap

09:04 AM	Initial weakness after Retail Sales, but avoiding sharp selling. MBS unchanged and 10yr only up 1bp at 4.049
10:02 AM	Very decent recovery. MBS up 1 tick (.03) and 10yr down almost 1bp at 4.033

Latest Video Analysis



Uneventful Rally

Mike Mihelcic

Associate, Re/Max Alliance

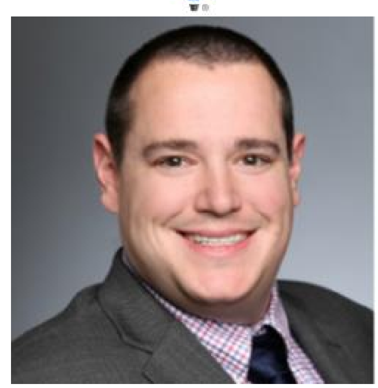
www.remax.com/.../102293806

P: (618) 656-2111

M: (618) 339-5752

remaxmike2012@gmail.com

1121 University Drive
Edwardsville IL 62025



Drew Stiegemeier

Mortgage Banker, Frontier Mortgage

frontierhomemortgage.com/drew

P: (636) 898-0888

M: (618) 779-7507

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MBS & Treasury Markets

UMBS 5.5	101.25	-0.04	10YR	4.035%	-0.006%	9/16/2025 3:44PM EST

Down Over an Eighth From AM Highs

The only downside of this morning's post-data recovery was that it set a higher level for MBS during some lenders' rate sheet print times. From those highs around 9:45am, MBS are now down 5 ticks (.16) despite being down only 1 tick on the day.

The jumpier lenders who released rates at or shortly after 9:45am could technically justify a negative reprice assuming they passed along the gains that were present at the time. In other words, if the lender in question posted rates that were the same as yesterday afternoon's, the risk would be fairly minimal.

MBS MORNING: Bonds Easily Clearing Last Pre-Fed Hurdle

ALERT: Losing Ground After Retail Sales

Today's Mortgage Rates

30YR Fixed	6.13%	-0.12%	15YR Fixed	5.71%	+0.00%	9/16/2025

Mortgage Rates Start Week at Another Long-Term Low

have done almost nothing but move lower over the past 4 months. The first Fridays in August and September account for about half of the total drop thanks to weaker results in the jobs report.

Since the September 5th jobs report, rates have held a sideways-to-slightly lower range that's resulted in several additional "lowest since" headlines. There's nothing special about today in that regard. Bonds (which dictate rates) happened to improve, so rates inched to another 11+ month low.

Today's levels aren't appreciably different than last Friday's. Volatility is a bigger risk over the next two days thanks to economic data tomorrow morning and the Fed announcement on Wednesday.

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Tuesday, Sep 16				
8:30AM	Aug Export prices mm (%)	0.3%	0%	0.1%
8:30AM	Aug Retail Sales Control Group MoM ★	0.7%	0.4%	0.5%
8:30AM	Aug Retail Sales (ex-autos) (%)	0.7%	0.4%	0.3%
8:30AM	Aug Retail Sales (%) ☆	0.6%	0.2%	0.5%
8:30AM	Aug Import prices mm (%)	0.3%	-0.1%	0.4%
9:15AM	Aug Industrial Production (%) ☆	0.1%	-0.1%	-0.1%
10:00AM	Jul Business Inventories (%) ☆	0.2%	0.2%	0.2%
10:00AM	Sep NAHB housing market indx ☆	32	33	32
1:00PM	20-Yr Bond Auction (bl)	13		
8:00PM	International Monetary Market (IMM) Date (%)			
Wednesday, Sep 17				
12:00AM	Roll Date - UMBS 15YR, Ginnie Mae 15YR			
7:00AM	Sep/12 MBA Purchase Index			169.1
7:00AM	Sep/12 MBA Refi Index			1012.4
7:00AM	Sep/12 Mortgage Market Index			297.7
8:30AM	Aug Housing starts number mm (ml)		1.37M	1.428M
8:30AM	Aug Building Permits (ml)		1.37M	1.362M
10:30AM	Sep/12 Crude Oil Inventory (ml)			3.939M
2:00PM	Fed Interest Rate Decision ★★		4.25%	4.5%
2:00PM	FOMC Economic Projections ★★			
2:00PM	Interest Rate Projection - 1st Yr			3.6%
2:00PM	Interest Rate Projection - Current			3.9%
2:00PM	Interest Rate Projection - 2nd Yr			3.4%
2:00PM	Interest Rate Projection - Longer			3%
2:00PM	Interest Rate Projection - 3rd Yr			3.1%
2:30PM	Fed Press Conference ★★			

Recent Housing News

- Obvious Signs of Life in Mortgage Apps Thanks to Rate Rally
- Refi Demand Improves While Purchase Applications Edge Lower
- Home Prices Still Growing, But at The Slowest Pace Since 2012

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The Fed is Cutting Rates Next Week, But Not Mortgage Rates

Markets have settled into a cycle that favors the jobs report as the only critical economic data as far as rates are concerned. This week's inflation data had a chance to claim/preserve a role as a strong supporting actor, but instead, it basically stood aside and left focus on the labor market and the Fed's interpretation of recent labor market weakness. A majority of the notion of "recent lab...

Mortgage Calculators

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