

MARKET SUMMARY

Complete Recap of Today's Market Activity

Early Gains Erase Overnight Weakness

Market Summary: Tuesday, October 7, 2025 - 1:28PM

10yr yields drifted up toward the 4.20% technical level overnight but buyers showed up at the 8:20am CME open. The initial recovery looks more technical in nature. The subsequent buying brought bonds into positive territory and likely had more to do with the day's only real econ data: the NY Fed Survey of Consumer Expectations. The data showed an uptick in unemployment expectations as well as a softening in other labor market metrics. This isn't normally a market mover, but sensitivity is somewhat higher due to the absence of last week's jobs report.

Market Movement Recap

- 10:38 AM Modestly weaker overnight, but moving into positive territory now. MBS up 1 tick (.03) and 10yr down 0.4bps at 4.142
- 11:56 AM Gains continue. MBS up 3 ticks (.09) and 10yr down 2.7bps at 4.121

Latest Video Analysis



Incidental Weakness But No Big Picture Change



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UMBS 5.0	99.45	+0.13	10YR	4.115%	-0.033%	10/7/2025 1:27PM EST
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Early Gains Erase Overnight Weakness

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-  **ALERT:** Weakest levels of the day
-  **MBS MORNING:** Overnight Losses Thanks to Overseas Markets

Today's Mortgage Rates

30YR Fixed	6.38%	+0.00%	15YR Fixed	5.90%	+0.00%	10/7/2025
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Mortgage Rates Start The Week Near Recent Highs

began the week right in line with their highest levels of the past 30 days. This sounds a bit more dramatic than it is because the past 2.5 weeks have been very narrow and today's rates are merely at the upper edge of that range (i.e. not much different than the recent lows).

There were no meaningful economic reports driving volatility in the underlying bond market (bonds dictate rates), but overseas developments caused broad bond market weakness overnight. Weaker bonds = higher rates, all else equal.

More extreme rate movement remains on hold until the government shutdown ends, thus allowing the publication of the big-ticket economic reports that have the biggest impacts on rates.

Time	Event	Actual	Forecast	Prior
Tuesday, Oct 07				
10:00AM	Fed Bostic Speech ☆			
10:05AM	Fed Bowman Speech ☆			
10:10AM	Oct IBD economic optimism	48.3	49.3	48.7
10:30AM	Fed Miran Speech ☆			
11:00AM	Sep Consumer Inflation Expectations ☆	3.4%		3.2%
11:30AM	Fed Kashkari Speech ☆			
1:00PM	3-Yr Note Auction (bl)	58		
3:00PM	Aug Consumer credit (bl)	\$0.36B	\$13.5B	\$16.01B
4:05PM	Fed Miran Speech ☆			
Wednesday, Oct 08				
7:00AM	Oct/03 Mortgage Market Index			339.1
7:00AM	Oct/03 MBA Refi Index			1278.6
7:00AM	Oct/03 MBA Purchase Index			172.7
9:20AM	Fed Musalem Speech ☆			
9:30AM	Fed Barr Speech ☆			
10:30AM	Oct/03 Crude Oil Inventory (ml)		2.25M	1.792M
1:00PM	10-yr Note Auction (bl) ★	39		
2:00PM	FOMC Minutes ★★			
3:15PM	Fed Kashkari Speech ☆			
5:45PM	Fed Barr Speech ☆			

Recent Housing News

- 4% Gain in Pending Home Sales Isn't Exactly What it Seems
- Home Price Growth May be The Lowest in Years, But Home Prices Remain Near All-Time Highs
- Mortgage Apps Drop Sharply, But It Was Still The 3rd Best Week in 3 Years

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Small Victory For Rates as Market Waits For Data

Contrary to mainstream notions regarding the Fed rate cut, mortgage rates moved sharply higher on Fed Day as well as the following day. Since then, they've been in a calm, sideways range, but managed to trickle to the lowest levels in that range by the end of this week. This is a logical outcome considering this week's bond market movement. 10yr Treasury yields (the most visible part of the bon...

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-  Advanced Loan Comparison
-  Early Payoff
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