

MARKET SUMMARY

Complete Recap of Today's Market Activity

Bonds Partially Unwinding Yesterday's Liquidity Panic

Market Summary: Friday, October 17, 2025 - 1:20PM

By process of elimination and ongoing forensic efforts, it's becoming more and more clear that yesterday's mystery rally in the short end of the yield curve was a product of liquidity/reserve stress in short-term funding markets. While the regional bank drama may have added fuel to the fire in a roundabout way, it was neither the match nor the flame. Episodes like this happen from time to time, especially in April and October as corporate tax deadlines create large short-term funding needs that can put strain on reserve balances (already a topic of conversation for the Fed recently, as they ponder the timing of the end of QT). In short, the market briefly worried that reserves were going to run too thin and the Fed would be forced to address it in a way that benefited short-term rates. The shortest term rates (like day to day SOFR) couldn't benefit due to immense short-term borrowing needs and scarce reserves, so any market concern was forced to play out in the slightly longer term (a few months in the future vs a few days). With the more dire fears in the rearview, bonds are backing away from the panic trade a bit this morning.

Mark Ingram

Broker Owner, Ingram
Company

www.ingramcompany.net

P: (949) 378-1701

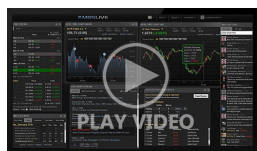
M: (949) 378-1701

170 E. 17th St. #200G
Costa Mesa CA 92627

CA DRE: 01226769

NMLS: 371141 / 358879

Latest Video Analysis



Seriously... No One Seems to Know

UMBS 5.0	99.77	-0.11	10YR	4.011%	+0.042%	10/17/2025 5:00PM EST
----------	-------	-------	------	--------	---------	-----------------------

Bonds Partially Unwinding Yesterday's Liquidity Panic

By process of elimination and ongoing forensic efforts, it's becoming more and more clear that yesterday's mystery rally in the short end of the yield curve was a product of /reserve stress in short-term funding markets. While the regional bank drama may have added fuel to the fire in a roundabout way, it was neither the match nor the flame. Episodes like this happen from time to time, especially in April and October as corporate tax deadlines create large short-term funding needs that can put strain on reserve balances (already a topic of conversation for the Fed recently, as they ponder the timing of the end of QT). In short, the market briefly worried that reserves were going to run too thin and the Fed would be forced to address it in a way that benefited short-term rates. The shortest term rates (like day to day SOFR) couldn't benefit due to immense short-term borrowing needs and scarce reserves, so any market concern was forced to play out in the slightly longer term (a few months in the future vs a few days). With the more dire fears in the rearview (T, bonds are backing away from the panic trade a bit this morning, but the real catalyst was a 7:12AM newswires citing Trump saying Chinese tariffs will not be sustainable.

- UPDATE: "Something" Happening in Stocks/Bonds; Best Levels of The Day
- MBS MORNING: Block Trades Setting The Tone After Mostly Data-Free Morning

Today's Mortgage Rates

30YR Fixed	6.23%	+0.00%	15YR Fixed	5.81%	+0.01%	10/17/2025
------------	-------	--------	------------	-------	--------	------------

Mortgage Rates Quickly Approaching Long-Term Lows

Despite a stark absence of any truly inspiring events, have managed to put in two fairly serious days of movement. In today's case specifically, there was an obvious intraday surge in the underlying bond market. While that surge wasn't readily attributable to any data or news headline, it prompted many mortgage lenders to reissue lower rates in the afternoon.

As conventional 30yr fixed rates move down from the 6.3's toward the 6.1's, this is a zone that can see larger than normal movement for reasons laid out back in early September ().

We're beginning to see some of that slippery slope behavior in our rate index over the past few days as 6.125% comes closer to being a more widespread top-tier rate quote.

As ever, the real question is whether we continue heading in that direction or if we're due a bounce. As ever, there's no way to know ahead of time. The level of improvement seen over the past week is already arguably surprising.

Time	Event	Actual	Forecast	Prior
Friday, Oct 17				
12:00AM	Roll Date - Ginnie Mae 30YR			
12:15PM	Fed Musalem Speech ☆			
Monday, Oct 20				
10:00AM	Sep CB Leading Index (on hold due to shutdown) (%)		-0.3%	-0.5%

Recent Housing News

- Mortgage Apps Dip, But Demand Still Running Strong After September Surge
- Refi Demand Ebbs Gradually As Rates Remain Rangebound
- 4% Gain in Pending Home Sales Isn't Exactly What it Seems

Read My Latest Newsletter

Lowest Rates Since Fed Day After New Tariff Escalation

Rates have been very flat since September 19th, with the average lender holding inside a tiny 0.05% range through this past Thursday. To put that in context, on September 18th alone (the day after the Fed announcement), rates rose 0.15%. While we're not seeing anything nearly as brisk at present, Friday brought a bit of a departure from the recent monotony with rates finally breaking that narro...

Mortgage Calculators

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