

MARKET SUMMARY

Complete Recap of Today's Market Activity

You Know Things Have Been Pretty Good When...

Market Summary: Thursday, October 23, 2025 - 11:47AM

Everything's relative when it comes to rates being high or low, but let's agree that the past 2 years have relentlessly driven home the notion of an increasingly flat, narrow range that has perfectly orbited a 10yr yield around 4.34%. If that's our reality, you know things have been pretty good when 3bps of gradual overnight selling leaves yields under 4.0%. As for underlying reasons, the move was so gradual that we don't necessarily need any better explanation than the consolidation vibes discussed in yesterday's recap. But if you MUST have something to blame, oil prices are up again.

Market Movement Recap

- 09:32 AM Slow, steady selling overnight and flat so far at weaker levels. MBS down 3 ticks (.09) and 10yr up 3.3bps at 3.98
- 11:20 AM MBS down 6 ticks (.19) and 10yr up 4.8bps at 3.995

Latest Video Analysis



20yr Auction to The Rescue



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MBS & Treasury Markets

UMBS 5.0	99.73	-0.22	10YR	4.001%	+0.054%	10/23/2025 3:47PM EST
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Weakest Levels of The Day

We typically want to see an eighth of a point of weakness in MBS versus either the highs of the day or rate sheet print times in order to send out an alert.

Right now, we're only seeing 3 ticks (.09). While this isn't classic alert territory, the departure from the AM price plateau has been fairly abrupt. The jumpiest lenders have occasionally repriced for the worse in similar scenarios.

MBS MORNING: You Know Things Have Been Pretty Good When...

MBS MORNING: Modest Early Weakness. Was it About Time?

Today's Mortgage Rates

30YR Fixed	6.18%	+0.01%	15YR Fixed	5.74%	+0.01%	10/23/2025
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Mortgage Rates Steady At Long Term Lows

were perfectly unchanged today, on average. With that, they remain in line with the lowest levels in more than a year and very close to the lowest levels in more than 3 years.

Recent momentum has been moderate and favorable. In the absence of big economic reports that are on hold due to the shutdown, bonds have taken cues from other developments like the new tariffs announced 2 weeks ago and the regional bank drama seen last week.

These market movers would normally be operating in the background--perhaps not even meriting discussion--but the dearth of data and the generally narrow range makes their effects more noticeable.

In thinking about the relatively uneventful return to long-term lows, it's good to remember that momentum comes and goes when it comes to rates and the bond market that drives them. Sometimes, a string of good luck is the only required catalyst for a token pull-back. Bonds are showing some fatigue as 10yr yields have pushed just under 4.0%. It may take some more convincing in the form of data or other events to motivate additional improvement.

Time	Event	Actual	Forecast	Prior
Thursday, Oct 23				
10:00AM	Sep Exist. home sales % chg (%) ☆	1.5%		-0.2%
10:00AM	Sep Existing home sales (ml) ☆	4.06M	4.1M	4M
1:00PM	5-Yr Note Auction (bl) ★	26		
Friday, Oct 24				
8:00AM	Sep Building Permits (ml)			
8:30AM	Sep y/y Headline CPI (%) ☆		3.1%	2.9%
8:30AM	Sep m/m Headline CPI (%) ★		0.4%	0.4%
8:30AM	Sep m/m CORE CPI (%) ★★		0.3%	0.3%
8:30AM	Sep y/y CORE CPI (%) ★★		3.1%	3.1%
8:30AM	Sep m/m CORE CPI (%) ★★			
9:45AM	Oct S&P Global Composite PMI ☆			53.9
9:45AM	Oct S&P Global Manuf. PMI ☆		52	52.0
9:45AM	Oct S&P Global Services PMI ☆		53.5	54.2
10:00AM	Oct Sentiment: 1y Inflation (%) ☆		4.6%	4.7%
10:00AM	Oct Sentiment: 5y Inflation (%) ☆		3.7%	3.7%
10:00AM	Oct U Mich conditions ☆		61.0	60.4
10:00AM	Sep New Home Sales (ml) ☆		0.71M	0.8M
10:00AM	Oct Consumer Sentiment (ip) ☆		55	55.1
10:00AM	Sep New Home Sales (%) (%)			20.5%

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

Mortgage Rates Aren't Too Far From 3 Year Lows

If we stopped paying attention at noon on Thursday, it was an uneventful week due to an absence of important economic data, a holiday closure, and a lack of volatility in the underlying bond market. After that, things got interesting. To be fair, things were fairly interesting at the end of the previous week owing to an escalation in trade war tensions with China. With minutes to go on Friday, ...

Mortgage Calculators

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