

MARKET SUMMARY

Complete Recap of Today's Market Activity

Pre-Fed Consolidation

Market Summary: Monday, October 27, 2025 - 3:04PM

As the shutdown continues, econ data remains sparse. This makes for smaller, more range-bound movement overall with last week making a decent case to established the floor of the current range in Treasury yields. A good-but-not-good-enough CPI helped seal the deal on Friday, but the impending Fed announcement is just as relevant. The market has already priced in the 25bp cut and has moved on to the next consideration: a [dovish](#) vs [hawkish](#) press conference. Combine that uncertainty with the need to underwrite the week's Treasury auction cycle and it's completely forgivable to see 10yr yields respecting a floor of 3.97 after briefly challenging it last week.

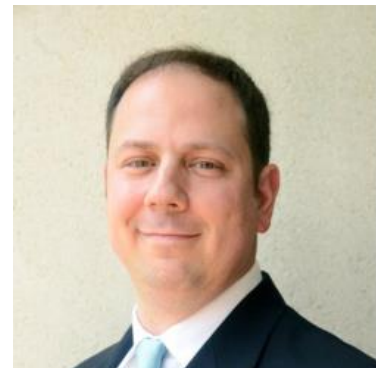
Market Movement Recap

- 10:01 AM Modestly weaker overnight with some additional selling after 9:30am NYSE open. MBS down 2 ticks (.06) and 10yr up 1bp at 4.029
- 01:19 PM Stronger both before and after 5yr Treasury auction. MBS up 1 tick (.03) and 10yr down 2bps at 3.999

Latest Video Analysis



Decent Recovery After AM Backtracking



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MBS & Treasury Markets

UMBS 5.0	100.03	+0.18	10YR	3.982%	-0.038%	10/27/2025 5:00PM EST
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Pre-Fed Consolidation, Pre-Auction Concession

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ALERT: Treasuries Turning Red After S&P PMI Data

MBS MORNING: Pros and Cons in CPI Report

Today's Mortgage Rates

30YR Fixed	6.19%	+0.00%	15YR Fixed	5.76%	+0.00%	10/27/2025
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Mortgage Rates Little-Changed Despite Decent Inflation Data

This morning brought the release of the much-anticipated Consumer Price Index (CPI). This is one of the two biggest inflation reports from the U.S. government, and the only government inflation report that's coming out during the shutdown. With big government data being a key consideration for , this special release got extra attention.

Core monthly inflation was lower than expected (.227% vs 0.3 forecast) as was the annual level at 3.0% versus a median forecast of 3.1%. Inflation is the nemesis of interest rates, so the lower-than-expected result is rate-friendly at face value. The underlying bond market agreed to some extent. The first reaction was stronger, thus implying lower .

But mortgage lenders don't tend to publish rates for the day until around 10am ET, 90 minutes after CPI came out. In that time, bonds had second thoughts about how strong their reaction would be--possibly due to internal components of the data that suggested non-tariff-related inflation remains elevated outside after removing the impact from housing payments.

Bonds remained in just barely stronger territory, but didn't quite make it back to yesterday morning's levels. As such, most mortgage lenders were just a hair higher in rate compared to yesterday--a completely logical outcome based on how bonds were trading.

The best way to view today's rate move (or lack thereof) in the context of the inflation data is to say that rates would have been more noticeably higher in the absence of CPI.

Time	Event	Actual	Forecast	Prior
Monday, Oct 27				
8:30AM	Sep Durable goods (on hold, shutdown) (%) ☆		0.3%	2.9%
11:30AM	2-Yr Note Auction (bl)	69		
1:00PM	5-Yr Note Auction (bl) ★	70		
Tuesday, Oct 28				
9:00AM	Aug FHFA Home Price Index m/m (%)		0.1%	-0.1%
9:00AM	Aug FHFA Home Prices y/y (%) ☆			2.3%
9:00AM	Aug Case Shiller Home Prices-20 y/y (%) ☆		1.9%	1.8%
9:00AM	Aug CaseShiller 20 mm nsa (%)			-0.3%
10:00AM	Oct CB Consumer Confidence (%) ☆		93.5	94.2
1:00PM	7-Yr Note Auction (bl) ★		44	

Recent Housing News

- Existing Home Sales Rose Last Month, But The Bigger Picture Hasn't Changed
- Weaker Purchase Demand Offset by Stronger Refis
- Mortgage Apps Dip, But Demand Still Running Strong After September Surge

Read My Latest Newsletter

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

The end of October brings the next Fed announcement and it is a 100% certainty that they will be cutting rates again. Many people believe this means lower mortgage rates. Many people are wrong. To be perfectly fair, mortgage rates COULD move lower after the Fed rate cut, but they could also move higher. We've certainly seen our fair share of counterintuitive reactions to rate cuts in the past. ...

Mortgage Calculators

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