

# MARKET SUMMARY

Complete Recap of Today's Market Activity

## Stunning Display of Holiday Trading Weirdness

Market Summary: Tuesday, December 23, 2025 - 10:07PM

GDP for Q3 may be ancient history as far as econ data goes, but markets didn't seem to think so in the hour following this morning's release. GDP was much stronger than expected and bonds traded it like it was a legit market mover. But most of the reaction was a holiday-induced amplification of what might have otherwise only caused barely-noticeable weakness in bonds. That point was driven home by the end of the day as both Treasuries and MBS returned to unchanged levels.

### Latest Video Analysis



Stunning Display of Holiday Trading Weirdness



Todd Hanley, RICP®,

CMA™

Senior Loan Officer, United  
Direct Lending

<https://todd.mortgage>

**M:** (954) 806-5114

[todd.hanley@uniteddirectlending.com](mailto:todd.hanley@uniteddirectlending.com)

5500 NW Glades Rd  
Boca Raton FL 33431-7367  
LO71086



|          |       |       |      |        |         |                       |
|----------|-------|-------|------|--------|---------|-----------------------|
| UMBS 5.0 | 99.65 | +0.02 | 10YR | 4.157% | -0.009% | 12/24/2025 3:07AM EST |
|----------|-------|-------|------|--------|---------|-----------------------|

## GDP Reaction a Prime Example of Holiday Distortion

We've spent the past several days reiterating and lamenting the onset of the holiday trading doldrums--a time of year that sees vastly lower volumes//participation, and thus runs the risk of volatility that's more random and larger than it otherwise would be. Now this morning, GDP came in much higher than expected and bonds are selling off somewhat sharply. Rather than fly in the face of the holiday trading environment realities, this is actually a prime example. The best evidence for this is the discrepancy between the size of the movement in bonds and the associated volume. Simply put, the movement in bonds is much larger than the reactions to NFP (jobs report) or CPI, but the volume isn't even close to half the size.

It is natural to be skeptical of our dismissive tone this morning. After all, GDP sounds like a big, important report, and a sharp sell-off seems logical given the 4.3% vs 3.3% result. But the underlying details suggest it was simply "fairly strong" as opposed to a true barn burner (thinking of things like "real final sales to domestic purchasers" at 2.9%, and the 4 quarter avg GDP moving up only modestly in the mid-2% range, and a negative reading in cyclical GDP components).

Bottom line: if these numbers were coming out during a more actively traded time of year, they may not be having as much of an impact. But as it stands during the holiday doldrums, 10yr yields are pushing the ceiling of the 4 month range and MBS are down almost a quarter point.

- UPDATE: Losing Ground After AM Data
- MBS MORNING: Range-Bound Cruise Control

## Today's Mortgage Rates

|            |       |        |            |       |        |            |
|------------|-------|--------|------------|-------|--------|------------|
| 30YR Fixed | 6.24% | +0.00% | 15YR Fixed | 5.75% | +0.01% | 12/23/2025 |
|------------|-------|--------|------------|-------|--------|------------|

## Mortgage Rates Ultimately Unchanged After Starting Higher

have broadly been in a narrow holding pattern for the past 4 months and an even narrower range during December. Today will do nothing to change that with the average lender ending the day exactly where they left of yesterday.

Earlier today, however, the average lender was offering slightly higher higher rates. The upward pressure came courtesy of the bond market's reaction to stronger GDP numbers for Q3. But that initial reaction proved to be a temporary overreaction, exacerbated by lighter trading participation associated with the holiday week. In general, lower participation greases the skids for volatility, essentially magnifying the impact of events that might not have much of an impact otherwise.

The bond market is technically open tomorrow (and thus, lenders will publish mortgage rates), but it should be even more heavily affected by holiday trading vibes. Also, there isn't much in terms of important econ data to cause the kind of volatility seen today--no to mention the fact that today's volatility ultimately proved to be non-existent.

| Time              | Event                            | Actual | Forecast | Prior  |
|-------------------|----------------------------------|--------|----------|--------|
| Tuesday, Dec 23   |                                  |        |          |        |
| 8:15AM            | ADP Employment Change Weekly ★★  | 11.5K  |          | 16.25K |
| 8:30AM            | Q3 Corporate profits (%)         | 4.4%   |          | 0.2%   |
| 8:30AM            | Q3 Core PCE Prices QoQ ☆         | 2.9%   | 2.9%     | 2.6%   |
| 8:30AM            | Oct Durable goods (%) ☆          | -2.2%  | -1.5%    | 0.5%   |
| 8:30AM            | Oct Core CapEx (%) ☆             | 0.5%   |          | 0.9%   |
| 8:30AM            | Q3 GDP (%) ★                     | 4.3%   | 3.3%     | 3.8%   |
| 9:15AM            | Oct Industrial Production (%) ☆  | -0.1%  | 0.1%     | 0.1%   |
| 10:00AM           | Dec CB Consumer Confidence (%) ☆ | 89.1   | 91       | 88.7   |
| 1:00PM            | 5-Yr Note Auction (bl) ★         | 70     |          |        |
| Wednesday, Dec 24 |                                  |        |          |        |
| 7:00AM            | Dec/19 MBA Purchase Index        |        |          | 176.5  |
| 7:00AM            | Dec/19 Mortgage Market Index     |        |          | 315.6  |
| 7:00AM            | Dec/19 MBA Refi Index            |        |          | 1148.3 |
| 8:30AM            | Dec/13 Continued Claims (k) ☆    |        |          | 1897K  |
| 8:30AM            | Dec/20 Jobless Claims (k) ☆      |        | 223K     | 224K   |
| 11:30AM           | 7-Yr Note Auction (bl) ★         |        | 44       |        |
| 2:00PM            | Christmas Eve ★★                 |        |          |        |

### Recent Housing News

- Highest Existing Home Sales in 8 Months But Don't Get Excited
- Three Straight Months of Improvement in Builder Confidence, But There's a Catch
- Mortgage Apps Still Strong vs Last Year, But Down Slightly Last Week

### Read My Latest Newsletter

## Mortgage Market in Holiday Mode Despite Big-Ticket Data

The two most important economic reports of the month were released this week. Both showed promising results for rates, and although rates improved, the reaction was smaller than expected . First up was November's jobs report, which came out on Tuesday morning. It showed the highest unemployment rate since 2021 at 4.6%--well above the 4.4% forecast. Under normal circumstances, this woul...

# Mortgage Calculators

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