

# MARKET SUMMARY

Complete Recap of Today's Market Activity

## A Bit of Actual Data-Driven Selling Thanks to Jobless Claims

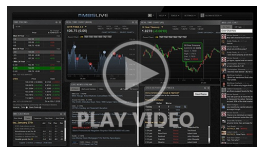
Market Summary: Wednesday, December 31, 2025 - 9:57AM

Human traders may be extremely underrepresented on today's half-day trading session, but the robots/algos know what to do with a sub-200k Jobless Claims print. Robots are also not smart enough to know that the sub-200k print is likely distorted by the uncommon occurrence of Christmas falling on a Thursday (last time was 2014). This means seasonal adjustment factors are attuned to more common scenarios where x-mas falls on a Monday. The same issue cropped up after Thanksgiving and claims bounced back in line with the trend the following week. Nonetheless, there's no other input for rates to trade this morning, so we're losing ground.

### Market Movement Recap

08:34 AM    losing ground after claims data. MBS down 3 ticks (.09) and 10yr up 2.1bps at 4.144

### Latest Video Analysis



Modest Recovery From Morning Weakness



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UMBS 5.0	99.82	-0.09	10YR	4.144%	+0.022%	12/31/2025 9:56AM EST
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## A Bit of Actual Data-Driven Selling Thanks to Jobless Claims and Wonky Seasonal Adjustments

Human traders may be extremely underrepresented on today's half-day trading session, but the robots/algos know what to do with a sub-200k Jobless Claims print. Robots are also not smart enough to know that the sub-200k print is likely distorted by the uncommon occurrence of Christmas falling on a Thursday (last time was 2014). This means seasonal adjustment factors are attuned to more common scenarios where x-mas falls on a Monday. The same issue cropped up after Thanksgiving and claims bounced back in line with the trend the following week. Nonetheless, there's no other input for rates to trade this morning, so we're losing ground.

We can also consider a new post-covid trend that perhaps hasn't yet been accounted for in seasonal factors. In the non-adjusted data, note that 2017-2019 all spike at the end of the year unlike each of the post-covid years that hold a flatter trajectory.

**MBS MORNING:** Meaningless Year-End Volatility

**MBS MORNING:** Mostly Sideways Despite Some Help From Europe

## Today's Mortgage Rates

30YR Fixed	6.20%	+0.01%	15YR Fixed	5.75%	+0.01%	12/30/2025
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## Mortgage Rates Microscopically Higher

continue operating in an excruciatingly narrow range near their lowest levels of the past few years. Yesterday was the 6th best day of 2025. Today is tied for 7th place after rates moved 0.01% higher on average.

While the underlying bond market is fully open today, it's a slow time of year in terms of volume and volatility. Bigger movement becomes more likely by the end of next week thanks to the return of important economic reports and stronger trader participation after holiday absences.

Time	Event	Actual	Forecast	Prior
Wednesday, Dec 31				
8:30AM	Dec/27 Jobless Claims (k) ☆	199K	220K	214K
8:30AM	Dec/20 Continued Claims (k) ☆	1866K		1923K
10:30AM	Dec/26 Crude Oil Inventory (ml)	-1.934M	-0.9M	0.405M
2:00PM	New Year's Eve ★★			
Thursday, Jan 01				
12:00AM	New Years Day ★★			

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