

MARKET SUMMARY

Complete Recap of Today's Market Activity

Mixed, But Modestly Stronger Reaction to CPI

Market Summary: Tuesday, January 13, 2026 - 1:15PM

CPI came out just a bit lower than expected with the monthly core at 0.2 vs 0.3 and annual core at 2.6 vs 2.7. The unrounded numbers were closer to forecasts and headline inflation was unchanged from last month. All that to say that there was no major directional suggestion for rates in today's data. It's best use is to confirm that inflation is roughly where we left it before data collection got wonky surrounding the shutdown. Bonds are definitely stronger than they were before the data, but the gains have been choppy and fairly small so far.



Paul Gowen

Broker/Owner, Willamette Falls Financial

www.willamettefallsfinancial.com

P: (503) 922-1499

M: (503) 381-0736

4800 Meadows Rd
Lake Oswego OR 97035
272830



Latest Video Analysis



Incidental Weakness Ahead of CPI Data

MBS & Treasury Markets

| | | | | | | |
|----------|--------|-------|------|--------|---------|----------------------|
| UMBS 5.0 | 100.08 | +0.11 | 10YR | 4.179% | +0.001% | 1/13/2026 5:00PM EST |
|----------|--------|-------|------|--------|---------|----------------------|

MBS at Weakest Levels; Reprice Risk Varies

10yr yields have inched into negative territory, up half a bp at 4.183 but not any higher than they were at the day's previous highs.

MBS have sold more steadily and are now at the lows of the day. While prices are technically higher due to , 5.0 coupons are down more than an eighth of a point from the AM highs.

That said, if your rate sheet is worse than yesterday's, reprice risk may be limited. If it's stronger than yesterday, reprices are possible.

MBS MORNING: Mixed, But Modestly Stronger Reaction to CPI

UPDATE: First Move is Stronger After CPI

Today's Mortgage Rates

30YR Fixed 6.07% +0.06%

15YR Fixed 5.59% +0.04%

1/13/2026

Mortgage Rates Inch Higher From 3 Year Lows

are either higher or lower today, depending on the lender in question. Some lenders raised rates on Friday afternoon in response to weakness in the bond market (lenders set rates based on the trading levels of MBS, the bonds that underlie the mortgage market). Those lenders are actually slightly lower today.

Lenders who didn't raise rates on Friday afternoon are slightly higher today.

In all cases, apart from Friday morning, today's rates remain well below anything seen for nearly 3 years. This is notable considering 10yr are near 4 month highs and more than 0.20% higher than the lower end of the range during that time.

One reason for mortgage rates outperforming the 10yr Treasury is the fact that the 10yr isn't always the best indicator for mortgages. In recent years, a 5yr Treasury has behaved more like mortgage rates in terms of day to day movement.

An even bigger reason for mortgage outperformance is last week's announcement regarding Fannie/Freddie purchases of MBS. This is the news that sent rates surging lower on Friday. The market is continuing to hone in on a new trading range for MBS today, but the bulk of the initial volatility seems to have passed.

| Time | Event | Actual | Forecast | Prior |
|--------------------------|--------------------------------------|---------|----------|---------|
| Tuesday, Jan 13 | | | | |
| 12:00AM | Roll Date - UMBS 30YR | | | |
| 6:00AM | Dec NFIB Business Optimism Index | 99.5 | 99.5 | 99.0 |
| 8:15AM | ADP Employment Change Weekly ★★ | 11.75K | | 11.5K |
| 8:30AM | Dec y/y Headline CPI (%) ☆ | 2.7% | 2.7% | 2.7% |
| 8:30AM | Dec m/m Headline CPI (%) ★ | 0.3% | 0.3% | |
| 8:30AM | Dec y/y CORE CPI (%) ★★ | 2.6% | 2.7% | 2.6% |
| 8:30AM | Dec m/m CORE CPI (%) ★★ | 0.2% | 0.3% | |
| 10:00AM | Jan IBD economic optimism | 47.2 | 48.2 | 47.9 |
| 1:00PM | 30-Yr Bond Auction (bl) ☆ | 22 | | |
| 1:00PM | 30-Year Bond Auction ☆ | 4.825% | | 4.773% |
| 2:00PM | Dec Federal budget (bl) | \$-145B | \$-150B | \$-173B |
| Wednesday, Jan 14 | | | | |
| 7:00AM | Jan/09 MBA Refi Index | 1313.1 | | 937 |
| 7:00AM | Jan/09 MBA Purchase Index | 184.6 | | 159.3 |
| 7:00AM | Jan/09 Mortgage Market Index | 348 | | 270.8 |
| 8:30AM | Nov PPI YoY ☆ | 3% | 2.7% | 2.8% |
| 8:30AM | Nov Core Producer Prices MM (%) ☆ | 0.0% | 0.2% | 0.3% |
| 8:30AM | Nov Core Producer Prices YY (%) ☆ | 3.0% | 2.7% | 2.9% |
| 8:30AM | Nov Producer Prices (%) ☆ | 0.2% | 0.2% | 0.1% |
| 8:30AM | Nov Retail Sales (%) ★ | 0.6% | 0.4% | 0% |
| 8:30AM | Nov Retail Sales Control Group MoM ★ | 0.4% | 0.4% | 0.8% |
| 8:30AM | Oct PPI YoY ★ | 2.8% | | 2.7% |
| 8:30AM | Oct Core Producer Prices MM (%) ★ | 0.3% | | 0.1% |
| 8:30AM | Oct Producer Prices (%) ★ | 0.1% | | 0.3% |
| 10:00AM | Oct Business Inventories (%) ☆ | 0.3% | 0.2% | 0.2% |
| 10:00AM | Dec Existing home sales (ml) ☆ | 4.35M | 4.21M | 4.13M |
| 10:00AM | Dec Exist. home sales % chg (%) ☆ | 5.1% | | 0.5% |
| 10:30AM | Jan/09 Crude Oil Inventory (ml) | 3.391M | -2.2M | -3.831M |

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

Mortgage Rates Back in The 5's. Here's Why

This week's potential volatility was supposed to be all about the big jobs report, but an unexpected headline completely stole the show. On Thursday afternoon, Trump announced he would be directing his representatives to buy \$200bln in mortgage-backed securities (MBS). These are the bonds that directly impact mortgage rates and such a level of buying would easily push rates lower. The initia...

Mortgage Calculators

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