

# MARKET SUMMARY

Complete Recap of Today's Market Activity

## Range Breakout Intensifies. Chicken or Egg?

Market Summary: Wednesday, January 21, 2026 - 3:20AM

After months spent observing the same old range in the bond market, we're finally in the throes of a confirmed breakout. Unfortunately, the breakout has seen 10yr yields surge almost 10bps above the range ceiling in just 2 days. Technical analysts are high fiving each other because this is a classic breakout event (higher volume, sharper movement in the direction of the breakout). Fundamental traders are saying "not so fast" because there's nothing to say bonds couldn't be in decent shape today without fiscal drama in Japan or spiraling geopolitical tension over Greenland. We got unequivocal confirmation of the latter today when a Danish pension fund said it was pulling out of US Treasuries. That marked the day's biggest volume spike and sharpest selling.



**Paul Gowen**

Broker/Owner, Willamette Falls Financial

[www.willamettefallsfinancial.com](http://www.willamettefallsfinancial.com)

P: (503) 922-1499

M: (503) 381-0736

4800 Meadows Rd  
Lake Oswego OR 97035  
272830



### Latest Video Analysis



Range Breakout Intensifies

UMBS 5.0 99.81 **+0.09**

10YR 4.266% **-0.030%**

1/21/2026 3:19AM EST

### Down by Just Over an Eighth From Highs

MBS hit their highs of the day around 10:45am after rising from the lows seen around 8:20am. That rally was nearly a quarter point. But since then, we've lost almost 6 ticks (.19).

Most lenders price early enough in the day (10am or earlier) that they are not seeing more than 2 ticks (.06) of weakness. Those lenders are not at risk of negative reprices.

But in the rarer cases of lenders posting prices closer to 11am, or in the few cases where lenders repriced for the better after 10:45am, negative reprices are becoming a modest risk.

The selling has been gradual and uneventful. We're still a few ticks off intraday lows and 10yr yields are up 6bps at 4.284--still about 1.5bps under the AM highs.

 **MBS MORNING:** Bonds Brace For Greenland Fallout. Japan Not Helping Either

 **ALERT:** Negative Reprice Risk Picking Up a Bit

### Today's Mortgage Rates

30YR Fixed 6.21% **+0.14%**

15YR Fixed 5.75% **+0.15%**

1/20/2026

### Mortgage Rates Jump to Match Highest Levels in Nearly a Month

jumped sharply higher on Tuesday in response to weakness driven by geopolitical events and overseas financial markets. After hitting lows of 5.99% for a few hours on January 9th and spending last week in the low 6's, the average top tier 30yr fixed rate is back up to 6.21% today.

This matches the level seen the day before the announcement of the administration's \$200 bln mortgage bond buying plans. The last time rates were higher was December 23rd.

In light of that announcement, why aren't mortgage rates doing better? Simply put, the market has already reacted to that news to the extent allowed by its transparency. If it were something like the Fed's bond buying initiatives in the past (Q.E. or "quantitative easing," which involved a detailed buying schedule laid out well in advance), it would be easier for rates to drop much more quickly.

As it stands, the market will learn about this new buying plan as it plays out. In practice, this means that there will be certain days where mortgage rates do better than US Treasuries. And then there will be regular days like today, when both are hurting in roughly equal measure.

As always, there's no way to know if today is a sign of additional momentum toward higher rates. It likely depends on the outcome of present geopolitical issues and upcoming economic data.

Time	Event	Actual	Forecast	Prior
<b>Wednesday, Jan 21</b>				
12:00AM	Roll Date - Ginnie Mae 30YR			
7:00AM	Jan/16 MBA Refi Index			1313.1
7:00AM	Jan/16 Mortgage Market Index			348
7:00AM	Jan/16 MBA Purchase Index			184.6
10:00AM	Sep Construction spending (%)		-0.1%	0.2%
10:00AM	Oct Construction spending (%)		0.1%	
10:00AM	Dec Pending Home Sales (%) <span style="color: #ccc;">★</span>		-0.3%	3.3%
1:00PM	20-Yr Bond Auction (bl)	13		
<b>Thursday, Jan 22</b>				
8:30AM	Jan/10 Continued Claims (k) <span style="color: #ccc;">★</span>			1884K
8:30AM	Jan/17 Jobless Claims (k) <span style="color: #ccc;">★</span>		212K	198K
12:00PM	Jan/16 Crude Oil Inventory (ml)		-2.5M	3.391M
1:00PM	10-yr Note Auction (bl) <span style="color: #ccc;">★</span>		21	

## Recent Housing News

- Builder Sentiment Survey Not Yet Reflecting Recent Rate Changes
- Existing-Home Sales Jump 5.1% in December, Strongest Pace in Nearly Three Years
- Bond Buying Announcement Leads Surge in Mortgage Apps

## Read My Latest Newsletter

## Mortgage Rates Actually Moved a Bit Higher This Week, But Remain Near Multi-Year Lows

First things first: if we take the last 5 days out of the equation, today's mortgage rates are still the lowest since early 2023. But they spent most of those last 5 days moving up from even lower levels. The changes are small in the big picture, but the distinction is important considering widespread reporting based on Freddie Mac's weekly rate survey. Freddie's data comes out on Thursdays and...

## Mortgage Calculators

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