

MARKET SUMMARY

Complete Recap of Today's Market Activity

Why Don't Bonds Care About The Massive Miss in PPI?

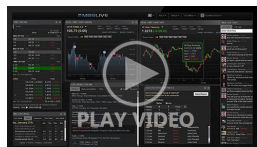
Market Summary: Friday, January 30, 2026 - 9:12AM

PPI... The Producer Price Index. It sounds a lot like CPI because both are published by the Bureau of Labor Statistics and they share lots of methodology and structure. Given that CPI has been responsible for some of the biggest bond market reactions, you'd be well within your rights to expect a big sell-off after seeing something like Core PPI coming in at 0.7 vs a 0.2 forecast and 0.0 previous reading. After all, if that happened in CPI, bond yields could easily be shooting 10bps higher. But PPI is notoriously more volatile. In addition, it's most useful to the bond market due to its implications for consumer inflation. To that end, we can track the categories that flow through to PCE inflation, and those categories didn't paint nearly as inflationary a picture as the headline and core readings.

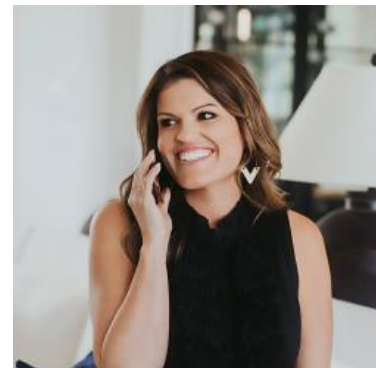
Market Movement Recap

08:39 AM MBS down about an eighth and 10yr up 1.6bps at 4.252

Latest Video Analysis



Bonds Little-Changed. Other Markets May Have Helped



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MBS & Treasury Markets

UMBS 5.0	99.95	-0.10	10YR	4.251%	+0.015%	1/30/2026 9:11AM EST
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PPI MUCH Higher Than Expected. Limited Selling So Far

- Core Producer Prices MM (Dec)
 - 0.7% vs 0.2% f'cast, 0% prev
- PPI YoY (Dec)
 - 3.0% vs 2.7% f'cast, 3% prev
- Producer Prices (Dec)
 - 0.5% vs 0.2% f'cast, 0.2% prev

This is an uncommonly large miss for inflation data, and we only see this kind of volatility in PPI (not in CPI or PCE). Bonds are definitely selling, but not nearly as much as one might expect. There's been less than 1bp of upward movement in 10yr yields, which were already slightly higher to start the day.

10s are currently up 1.7bps at 4.252 and MBS are down just over an eighth of a point.

MBS MORNING: Weaker After Econ Data, But Bonds May Be Looking Elsewhere

ALERT: Down an Eighth From Highs

Today's Mortgage Rates

30YR Fixed	6.16%	+0.00%	15YR Fixed	5.75%	+0.00%	1/30/2026
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Mortgage Rates Hold Steady Despite Volatility in Other Markets

Sometimes being tuned into daily mortgage rate changes means coming across other news about financial markets. In today's case, that could expose you to anything from the massive selling of certain stocks earlier in the day or the unprecedented trading levels in various commodities.

While the financial market buzz may be centered on silver and gold (and Microsoft, today), drifted quietly sideways. That's no surprise considering rates are based on trading in the bond market and bonds were roughly unchanged.

This keeps the average top tier 30yr fixed rate at 6.16%. Apart from the week of Jan 12-16th, this is right in line with the lowest levels going back to early 2023.

Time	Event	Actual	Forecast	Prior
Friday, Jan 30				
8:30AM	Dec Core PPI y/y (%) ☆	3.3%	2.9%	3%
8:30AM	Dec Core PPI m/m (%) ☆	0.7%	0.2%	0%
8:30AM	Dec PPI y/y ☆	3%	2.7%	3%
8:30AM	Dec PPI m/m (%) ☆	0.5%	0.2%	0.2%
9:45AM	Jan Chicago PMI ☆	54.0	44	43.5
1:30PM	Fed Musalem Speech ☆			
5:00PM	Fed Bowman Speech ☆			
Monday, Feb 02				
9:20AM	NY Fed Bill Purchases 4 to 12 months (%)		\$6.921 billion	
9:45AM	Jan S&P Global Manuf. PMI ☆		51.9	51.8
10:00AM	Jan ISM Manufacturing Employment			44.9
10:00AM	Jan ISM Manufacturing PMI ★★		48.3	47.9
10:00AM	Jan ISM Mfg Prices Paid ★			58.5
12:25PM	Fed Bostic Speech ☆			

Recent Housing News

- Unsurprising Surge in Refi Demand Pushes Mortgage Apps Past 3 Year High
- Builder Sentiment Survey Not Yet Reflecting Recent Rate Changes
- Existing-Home Sales Jump 5.1% in December, Strongest Pace in Nearly Three Years

Read My Latest Newsletter

Tougher Week For Rates, But Mortgage Apps Soar to 3 Year High

Mortgage rates pulled back this week as the bond market digested geopolitical tension. After the 3-day holiday weekend, traders returned to find overseas markets pushing bond yields higher. The lesser of the two motivations had to do with fallout over fiscal issues in Japan which prompted heavy selling of Japanese bonds. There is often a certain amount of correlation between the sovereign ...

Mortgage Calculators

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