

Volatility Eludes Bonds

Market Summary: Saturday, January 31, 2026 - 8:46AM

Bonds saw some steady selling pressure earlier in the week, but with the total damage amounting to an average of 2bps per day in 10yr yields, it was anything but volatile. The past 2 trading sessions had more noticeable ups and downs, but they played out in an even narrower range. Friday, specifically, was woefully range-bound with 10yr yields essentially in a 2bp range all day. Balmy PPI data and Fed Chair decisions and historic volatility in certain commodities didn't make any difference. Even the 3pm ET month-end trading barely registered a response despite the typical surge in volume (by far the highest minutes of volume of every month). Next week brings the big ticket econ data and thus a chance for some legit data driven volatility.

Latest Video Analysis



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MBS & Treasury Markets

UMBS 5.0	100.02	-0.03	10YR	4.243%	+0.007%	1/30/2026 5:00PM EST
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Why Don't Bonds Care About The Massive Miss in PPI?

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.

ALERT: PPI MUCH Higher Than Expected. Limited Selling So Far

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

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 Sidestep Into The Weekend

While there was certainly plenty of volatility elsewhere in the financial market this week, there was almost none to be found in . Wed, Thu, and Fri all recorded the exact same level in MND's 30yr fixed rate index--something that only happens a few times every year.

Rates are based on bonds and bonds are waiting for more serious inspiration after undergoing a bit of elevated volatility at the beginning of last week. The present week has been all about consolidating and settling into a narrower range as we wait for the more important economic data on deck next week.

Economic Calendar

Last Week | This Week | Next Week

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 ★		60.5	58.5
12:25PM	Fed Bostic Speech ☆			
2:00PM	Loan Officer Survey			

Recent Housing News

- November Was Best Month of Home Price Appreciation in More Than a Year
- Logical Pull-Back in Mortgage Apps as Rates Rebound
- Unsurprising Surge in Refi Demand Pushes Mortgage Apps Past 3 Year High

Best Month For Home Price Gains in Over a Year, But Context Matters

This week's newsletter is all about context when it comes to economic data and market movement. One point of view may provide a clear takeaway while zooming out completely changes the picture. Let's start with an easy one. The early January mortgage rate rally led to an obvious surge in refinance applications. Taken together with the mini refi boom in September 2025, things look pretty ac...

Mortgage Calculators

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