MARKET SUMMARY

Complete Recap of Today's Market Activity

Data-Driven Sell-Off Dominates The Day. No Jobs Report on Friday

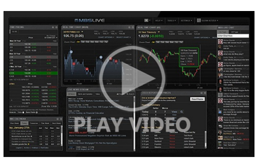
Market Summary: Monday, February 2, 2026 - 10:20PM

Very little changed after this morning's commentary. At the time, we were watching bonds sell-off somewhat sharply in response to an exceptionally strong ISM Manufacturing report. As is often the case with data-driven selling sprees, the worst was over in the first 10 minutes and the rest of the day was broadly sideways. That said, it wasn't without its interesting updates. Chief among them was news that this Friday's jobs report would be postponed due to the government shutdown (and same story with tomorrow's JOLTS data).

Market Movement Recap

08:41 AM	roughly unchanged after bonds give up overnight gains in early trading. MBS down 2 ticks (.06) and 10yr up half a bp at 4.24
12:02 PM	much weaker after ISM, but flat after initial reaction. MBS down 6 ticks (.19) and 10yr up 3.9bps at 3.828
03:28 PM	Treading water near weakest levels. MBS down 6 ticks (.19) and 10yr yr up 4.2bps at 3.831

Latest Video Analysis



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EQUAL HOUSING LENDER

MBS & Treasury Markets

UMBS 5.0	99.81	+0.05	10YR	4.275%	0.000%	2/2/2026 10:19PM EST

Big Beat in ISM Manufacturing. Bonds Aren't Thrilled

Some would say there were warning signs, such as last week's Chicago PMI surging to the 2nd highest level since 2022, but that was generally dismissed as a noisy outlier in a data set that is volatility-prone. In this case, however, Chicago PMI was prescient. Today's ISM Manufacturing data surged to the highest level since 2022, both in terms of the headline and new orders. Even though this report isn't as much of a market mover as the non-manufacturing version, this is a big enough beat to make an exception. Bonds are clearly responding, and not in a rate-friendly way.

ALERT: Selling Off After ISM Data

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

Today's Mortgage Rates

30YR Fixed	6.17%	+0.01%	15YR Fixed	5.76%	+0.01%	2/2/2026

Mortgage Rates Only Modestly Higher Despite Bond Market Weakness

Weakness in the bond market generally means higher . Today was no exception. A key economic report on the manufacturing sector was much stronger than expected. Bonds lost ground as a result and mortgage lenders were forced to set rates higher than Friday's latest levels.

But the caveat is that the average lender was only marginally higher. The level of movement in the bond market suggested a bigger change. In other words, mortgage rates fared a bit better than the market suggested.

When this happens, it's most frequently due to timing. If bonds lose ground moderately, but those losses happen **after** mortgage lenders announce the day's rates, many lenders will simply wait until the following day to adjust rates accordingly. This could explain some of today's resilience.

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Monday, Feb 02				
9:20AM	NY Fed Bill Purchases 4 to 12 months (%)		$6.921 billion	
9:45AM	Jan S&P Global Manuf. PMI	52.4	51.9	51.8
10:00AM	Jan ISM Manufacturing Employment	48.1		44.9
10:00AM	Jan ISM Manufacturing PMI	52.6	48.5	47.9
10:00AM	Jan ISM Mfg Prices Paid	59.0	60.5	58.5
12:25PM	Fed Bostic Speech			
2:00PM	Loan Officer Survey			
Tuesday, Feb 03				
8:00AM	Fed Barkin Speech			
10:10AM	Feb IBD economic optimism		47.9	47.2

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

Read My Latest Newsletter

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

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