MARKET SUMMARY
Complete Recap of Today's Market Activity

March Starts Sharply Weaker. Is it Iran?

Market Summary: Monday, March 2, 2026 - 9:45AM

Spoiler alert: it's not Iran. And this morning's yields are the 2nd lowest in more than 3 months behind last Friday. Last Friday was also a month-end trading day with a mini snowball rally that defied overt explanation (apart from "month end bond buying")--a fact that led us to warn about the risk of "new month bond selling." It's not that bonds always rally at month-end or sell off when the new month begins, but if there's a sharp, inexplicable move on the last day of any given month, the risks of a reversal increase on the first day of the following month. Geopolitical headlines may cause modest volatility here and there, but bonds' correlation with oil prices is not a reliable analytical focus.

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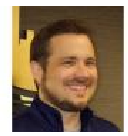
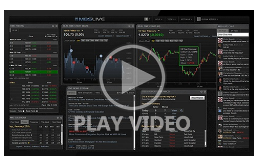


Market Movement Recap

09:08 AM	Mostly flat overnight with sharper selling starting at 7am. 10yr up 5.9bps at 4.009 and MBS down just over a quarter point.

Latest Video Analysis



Bonds Cap Stellar Week With Range Breakout

MBS & Treasury Markets

UMBS 5.0	100.19	-0.31	10YR	4.024%	+0.076%	3/2/2026 9:44AM EST

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The next chart shows what oil and bond yields had been doing on the last 3 days of last week. Notice the extreme absence of correlation.

Here's the move so far today--the one that has people concluding that bond yields are higher because oil is higher. In fact, versus the 3pm CME close on Friday, bonds were flat until 7am. By that time, oil had already experienced almost all its volatility for the day. The crux of the bond sell-off played out in a vacuum--STRONGLY suggesting Friday's yields were dragged down by month-end buying and this morning's selling is "new month" positioning.

MBS MORNING: Starting Out Under 4.0% Despite Hotter PPI

MBS MORNING: Back to The Stronger End of The Range

Today's Mortgage Rates

30YR Fixed	6.12%	+0.13%	15YR Fixed	5.68%	+0.08%	3/2/2026

Mortgage Rates End Week at Best Levels

At this point, it is getting a bit repetitive to bring up "the lowest rates in more than 3 years"--something that was officially the case twice this week. If we give rates credit for stably holding these long-term lows (and we should!), then every day this week has been the best in more than 3 years.

Here's the specific record: at no other time in the history of our rate index have rates begun a week at long-term lows and experienced so little volatility. There was a somewhat similar stretch of 4 days in March 2019, but rates had only hit a 2 year low at the time.

On average, when rates hit the lowest levels in more than a year, the next 4 business days see a range of 0.07-0.08%. That makes this week's 0.01% range truly special.

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Monday, Mar 02				
9:45AM	Feb S&P Global Manuf. PMI ☆	51.6	51.2	52.4
10:00AM	Feb ISM Manufacturing Employment	48.8		48.1
10:00AM	Feb ISM Mfg Prices Paid ★	70.5	59.5	59.0
10:00AM	Feb ISM Manufacturing PMI ★★	52.4	51.8	52.6
Tuesday, Mar 03				
9:55AM	Fed Williams Speech ☆			
10:10AM	Mar IBD economic optimism		50.1	48.8
11:55AM	Fed Kashkari Speech ☆			

Recent Housing News

- Mortgage Demand Calm Before The Storm?
- Home Prices Still Rising, But Pace Remains Subdued
- New Home Sales Remain Near Recent Highs

Read My Latest Newsletter

Mortgage Rates Set an Interesting Record This Week

Mortgage rates finished the week at their lowest levels since August 2022. In outright terms, this is far from the record lows, but rates set another kind of record. Volatility is a common negative side effect associated with rates hitting multi-year lows. For example, back on January 9th, the MND rate index briefly hit 5.99% before bouncing back to 6.06% later that same day, and 6.21...

Mortgage Calculators

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