

MARKET SUMMARY

Complete Recap of Today's Market Activity

March Starts Sharply Weaker. Is it Iran?

Market Summary: Monday, March 2, 2026 - 12:43PM

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.

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.
- 10:04 AM a bit more weakness after ISM data. MBS down 10 ticks (.31) and 10yr up 8.8bps at 4.036
- 11:40 AM New lows with MBS down 3/8ths and 10yr up 10.3bps at 4.051

Latest Video Analysis



Bonds Cap Stellar Week With Range Breakout



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UMBS 5.0	100.11	-0.39	10YR	4.055%	+0.106%	3/2/2026 12:42PM EST
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Down an Eighth From AM Highs

Selling has been steady, and there are no new market movers causing additional selling, but the gradual decline now brings 5.0 UMBS down an eighth of a point from AM highs. Those highs coincided with some lenders' rate sheet print times. Technically, this is the threshold scenario for negative reprice risk, but most lenders tend to price more conservatively on a day like today (which could limit some of the reprice risk we'd typically see in this situation).

- MBS MORNING: March Starts Sharply Weaker. Is it Iran?
- MBS MORNING: Starting Out Under 4.0% Despite Hotter PPI

Today's Mortgage Rates

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

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

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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

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- 📊 Rent vs. Buy
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