

MARKET SUMMARY

Complete Recap of Today's Market Activity

Bonds Remain On The Run

Market Summary: Thursday, March 12, 2026 - 11:55AM

The bond market doesn't look like it can catch a break as long as war persists in Iran. If it's not oil, it's fertilizer, nat gas, military spending, or a host of other inflationary knock-on effects that bode ill for the fixed income sector. Yes, the implied economic fallout would help offset the inflationary impulses, but not enough for rates to make downward progress just yet. Bonds will need to get past the point of pricing in another big inflation reckoning for that to happen. Until then, downward progress will be tough to sustain. This morning's headlines (which involve more reports of mines in shipping channels and a Trump comment that said military objectives were more important than oil prices) have pushed the June Fed rate cut outlook to its worst levels in a year. 10yr yields are easily back up and over the 4.20% technical level.

Market Movement Recap

- 08:30 AM Roughly unchanged overnight. No reaction to econ data. MBS up 1 tick (.03) and 10yr down half a bp at 4.223
- 11:33 AM Weakest levels. MBS down a quarter point. 10yr up 2.7bps at 4.254.



Brendon Garcia

Broker/Owner,
Collaborative Capital

<https://brendongarcia.com/>
P: (805) 253-2053
brendon@brendongarcia.com
Westlake Village, California
NMLS# 278724
NMLS# 2385760



Latest Video Analysis



General Selling Spree Continues

MBS & Treasury Markets

UMBS 5.0 99.11 -0.16 | 10YR 4.243% +0.016% 3/12/2026 11:54AM EST

Bonds Remain On The Run

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ALERT: Negative Reprice Risk Increasing

ALERT: Down a Quick Eighth of a Point

Today's Mortgage Rates

30YR Fixed 6.29% +0.05% | 15YR Fixed 5.90% +0.06% 3/12/2026

Highest Rates in More Than a Month

moved higher on Wednesday despite only a modest increase in oil prices. The latter is currently a part of any conversation about as higher energy costs have fueled inflation expectations. Higher inflation begets higher rates, all else equal.

But rates take other cues, or course. One key consideration is that of "supply." In other words, how many new dollars of debt are being issued--not just by the U.S. government, but across the entire bond market.

At present, government issuance is high and only expected to get higher. Even though congressional approval is ultimately required, armed conflict can increase expectations for future military spending. There's also uncertainty over tariff refunds which would further increase the supply of U.S. Treasuries to offset the lost revenue.

Last but not least, this week brings scheduled Treasury auctions. The market knew about these ahead of time, but on some auction weeks, the results reveal an imbalance between buyers and sellers that increases momentum toward higher or lower interest rates. This week, that momentum has been generally higher.

The net effect on mortgage rates is a conventional top-tier 30yr fixed that is back to February 4th levels on average.

Time	Event	Actual	Forecast	Prior
Thursday, Mar 12				
8:30AM	Jan Housing starts number mm (ml)	1.487M	1.35M	1.404M
8:30AM	Jan Trade Gap (bl)	\$-54.5B	\$-66.6B	\$-70.3B
8:30AM	Mar/07 Jobless Claims (k) ☆	213K	215K	213K
8:30AM	Feb/28 Continued Claims (k) ☆	1850K	1850K	1868K
11:00AM	Fed Bowman Speech ☆			
1:00PM	30-Yr Bond Auction (bl) ☆	22		
1:00PM	30-Year Bond Auction ☆	4.871%		4.750%
Friday, Mar 13				
8:30AM	Q4 GDP Final Sales (%)		1.2%	4.5%
8:30AM	Q4 Core PCE Prices QoQ ☆		2.7%	2.9%
8:30AM	Jan PCE prices (m/m) (%) ☆		0.3%	0.4%
8:30AM	Jan PCE (y/y) (%) ☆		2.9%	2.9%
8:30AM	Q4 PCE Prices (Q/Q) ☆		2.9%	2.8%
8:30AM	Jan Durable goods (%) ☆		1.2%	-1.4%
8:30AM	Jan Core CapEx (%) ☆		0.5%	0.6%
8:30AM	Jan Core PCE (y/y) (%) ★		3.1%	3%
8:30AM	Jan Core PCE (m/m) (%) ★		0.4%	0.4%
8:30AM	Q4 GDP (%) ★		1.4%	4.4%
10:00AM	Jan JOLTS Job Quits (ml) ☆			3.204M
10:00AM	Mar Sentiment: 1y Inflation (%) ☆			3.4%
10:00AM	Mar U Mich conditions ☆			56.6
10:00AM	Mar Sentiment: 5y Inflation (%) ☆			3.3%
10:00AM	Mar Consumer Sentiment (ip) ☆		55	56.6
10:00AM	Jan USA JOLTS Job Openings (ml) ★		6.70M	6.542M

Recent Housing News

- Highest Refi Demand in 4 Years After Last Week's Rate Rally
- Mortgage Demand Calm Before The Storm?
- Home Prices Still Rising, But Pace Remains Subdued

Rates Rocked (Relatively) by Global Events

Last week, it seemed interest rates could do no wrong. Mortgage rates started at multi-year lows on Feb 23rd and proceeded to have a record-setting week (lowest weekly volatility for any week that began with multi-year lows). This week has been entirely different. A chart of 10yr Treasury yields allows us to see minute to minute changes in long-term rate momentum. In terms of mortgage r...

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