

MARKET SUMMARY

Complete Recap of Today's Market Activity

Simple, Strong Correlation With Oil Leaves Yields Lower

Market Summary: Monday, March 16, 2026 - 7:39PM

There's no sense in overcomplicating today's trading session. Oil was down significantly and so were bond yields. The correlation was very strong after 4am ET with each major peak and valley aligning. Econ data was present, but not a relevant consideration for trading. Stocks were also part of the correlation game but in a perfectly inverted way (peak in oil/yields = valley in stock prices). In other words, both sides of the market remain transfixed by energy prices. This hasn't been the exclusive market mover in March, but it's definitely been the dominant consideration, and that was double true today.

Market Movement Recap

- 08:37 AM Moderately stronger overnight with additional gains in early domestic trading. MBS up a quarter point and 10yr down 4.6bps at 4.232
- 12:22 PM MBS still up a quarter point and 10yr down 4.1bps at 4.237
- 02:56 PM Best levels of the day with MBS up 11 ticks (.34) and 10yr yields down 6bps at 4.218

Latest Video Analysis



Simple, Strong Correlation With Oil Leaves Yields Lower



Michael Addison

Michael Addison Team

www.MichaelAddison.com

M: (214) 500-1358

michael@michaeladdison.com

Dallas TX 75205

NMLS# 603214



MBS & Treasury Markets

UMBS 5.0	98.99	+0.10	10YR	4.259%	-0.019%	3/15/2026 11:39PM EST
----------	-------	-------	------	--------	---------	-----------------------

Stronger Start as Markets Hope For De-Escalation

With no massive escalation in Iran over the weekend, oil prices trickled only modestly higher during Asian trading hours and began to recover during European hours. Early domestic trading kept the friendly trend intact with some help from Trump comments that suggested a limited timeline for the war. That said, the rally was more of a linear trend this morning and less of a volatile reaction to any individual newswire. Econ data is in the back seat to geopolitical events. The same will generally be true for Wednesday's Fed announcement, although volatility is at least possible thanks to the dot plot and press conference (rate cut = 0% chance).

NOTE: you will never see a true 0% chance in terms of probability implied by futures contracts due to the structure of that market, but 99% = 100% and 1% = 0% for all practical purposes.

ALERT: Negative Reprices are Now Highly Likely

ALERT: Weakest Levels of The Day

Today's Mortgage Rates

30YR Fixed	6.36%	-0.05%	15YR Fixed	5.95%	-0.06%	3/16/2026
------------	-------	--------	------------	-------	--------	-----------

Mortgage Rates Recover Modestly From 7-Month Highs

are based on bonds, and bonds spent last week bracing for the impact of higher energy prices. In the bond world, higher inflation begets higher rates, all else equal.

Oil prices remain elevated, but fell more than 5% on Monday. The bond market responded with a drop in Treasury yields (which generally correlate with mortgage rates).

Both the 10yr Treasury yield and the average top-tier 30yr fixed mortgage rate fell 0.06% on the day. That means mortgages are now at the highest levels in only 3 months after being at 7-month highs on Friday afternoon.

[thirtyyearmortgagerates]

Time	Event	Actual	Forecast	Prior
Monday, Mar 16				
12:00AM	Roll Date - UMBS 15YR, Ginnie Mae 15YR			
8:30AM	Mar NY Fed Manufacturing ☆	-0.20	3.2	7.10
9:15AM	Feb Industrial Production (%) ☆	0.2%	0.1%	0.7%
9:20AM	NY Fed Bill Purchases 4 to 12 months (%)			
10:00AM	Mar NAHB housing market indx	38	37	36
10:00AM	Jan Business Inventories (%) ☆			
12:00PM	NOPA Crush Report (%)			
Tuesday, Mar 17				
8:15AM	ADP Employment Change Weekly ★★			15.5K
8:30AM	Feb Housing starts number mm (ml)			
10:00AM	Feb Pending Home Sales (%) ☆		-0.5%	-0.8%
11:30AM	6-Week Bill Auction (%)			3.635%
1:00PM	20-Yr Bond Auction (bl)	13		

Recent Housing News

- Purchase Applications Buoy Mortgage Demand Amid Rising Rates
- Modest Recovery Keeps Existing Home Sales in The Same Old Range
- Highest Refi Demand in 4 Years After Last Week's Rate Rally

Read My Latest Newsletter

From 3 Year Lows to 7 Month Highs in 2 Weeks

February ended with 30yr fixed rates at the lowest level in more than 3 years. There's been a grueling march higher since then with average rates ending the week at 7-month highs. While the first few days of March were open to some debate about the reasons for the rate spike, there's now only one elephant in the room, and it's a war elephant. Wars have various effects on financial...

Mortgage Calculators

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