

Bonds Showing Some Optimism About Turning Point in The War

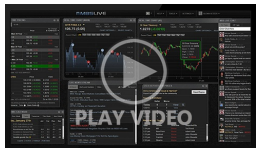
Market Summary: Wednesday, March 25, 2026 - 11:14AM

There have been various comments from U.S. officials about ending the war for several weeks (i.e. on March 9th, Trump said the war could be over soon). Yesterday's developments (Trump comments on the war being "won" and the 30-day ceasefire news from Israel) are being taken more seriously by markets. Oddly enough, oil prices and bond yields are holding onto the gains despite Iran refuting negotiation claims and launching another wave of air strikes.

Market Movement Recap

08:58 AM Choppy and slightly stronger. MBS up an eighth and 10yr down 3.7bps at 4.327

Latest Video Analysis



Juxtaposition of War Headlines Keeping Bonds Volatile

MBS & Treasury Markets

UMBS 5.0	98.49	+0.16	10YR	4.326%	-0.039%	3/25/2026 11:13AM EST
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UPDATE: Bonds Surging to Best Levels on Ceasefire Headlines

ALERT: Weakest Levels After 2yr Auction and War Headlines



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Today's Mortgage Rates

30YR Fixed	6.48%	-0.07%	15YR Fixed	6.09%	-0.03%	3/25/2026
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Highest Mortgage Rates Since August 2025

March 2026 continues to be an unpleasant month for --a fact almost exclusively due to the Iran war. Even if the war were to end today, there's been sufficient disruption to infrastructure and a big enough initial spike in energy prices to create what economists refer to as "second round effects." In simpler terms, this means that inflation expectations and will not immediately return to February's levels simply because the war is over.

That's a premature conversation today when headlines regarding U.S. troop deployment caused rates to jump at 1pm ET. Many mortgage lenders repriced to higher levels after that with the average top tier 30yr fixed rate hitting 6.55% for the first time since August 2025.

Subsequent comments regarding de-escalation helped the bond market recover some of those initial losses, but the market would like to see a more ironclad announcement before reacting in a more meaningful way.

[thirtyyearmortgagerates]

Time	Event	Actual	Forecast	Prior
Wednesday, Mar 25				
7:00AM	Mar/20 MBA Refi Index	1145.0		1341.0
7:00AM	Mar/20 MBA Purchase Index	163.6		172.9
7:00AM	Mar/20 Mortgage Market Index	310.7		347.1
8:30AM	Feb Import prices mm (%)	1.3%	0.5%	0.2%
10:30AM	Mar/20 Crude Oil Inventory (ml)	6.926M	0.5M	6.156M
11:30AM	2-Yr Note Auction (bl)	28		
11:30AM	2-Year FRN Auction (%)	0.115%		0.099%
1:00PM	5-Yr Note Auction (bl) ★	70		
4:10PM	Fed Miran Speech ☆			
Thursday, Mar 26				
8:30AM	Mar/21 Jobless Claims (k) ☆		210K	205K
8:30AM	Mar/14 Continued Claims (k) ☆		1860K	1857K
9:20AM	NY Fed Bill Purchases 1 to 4 months (%)		\$8.071 billion	
1:00PM	7-Yr Note Auction (bl) ★		44	
4:00PM	Fed Cook Speech ☆			
6:30PM	Fed Miran Speech ☆			
7:00PM	Fed Jefferson Speech ☆			
7:10PM	Fed Barr Speech ☆			

Recent Housing News

- New Home Sales Plunge to 3-Year Lows
- Reality Check For Refi Demand
- Builder Confidence Inches Higher Amid Affordability Concerns

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March is Regime Change Month For Rates

While the word "regime" is often seen in a geopolitical context, it's also common in financial markets. With respect to rates, the most recent regime involved steady improvement starting in May 2025 and ending 3 weeks ago. Since then, a new regime has been taking over and it kicked into high gear this week. Under the previous regime, bonds (which dictate rates) were operating on the following p...

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