

# MARKET SUMMARY

Complete Recap of Today's Market Activity

## Bonds Only Modestly Weaker After New Escalation Over The Weekend

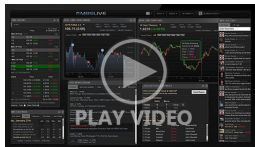
Market Summary: Monday, April 20, 2026 - 9:57AM

Heading into the weekend, all indications were about as promising as they have been that the war was heading toward a peaceful conclusion. This was reflected in oil prices and Treasury yields being at multi-week lows (and stocks at all-time highs). But over the weekend, the U.S. fired on and seized an Iranian ship, and Iran said it was cancelling plans to re-open the Strait of Hormuz. Oil prices retraced almost all of Friday's drop on the news and bonds erased more than half of the associated gains. But both began bouncing back slowly in overnight trading. Bonds are now moving back into positive territory on recent headlines that suggest peace talks are back on.

### Market Movement Recap

08:51 AM Bonds only modestly weaker despite initial overnight jump in yields. 10yr up 1.5bps at 4.262 and MBS down 2 ticks (.06).

### Latest Video Analysis



AM Gains Mostly Stick Around



**Julie Herrmann**

REALTOR® & Mortgage Broker, Edge Home Finance Nmls #891464 | eXp Realty LLC

[www.hometoloan.com](http://www.hometoloan.com)

**P:** (509) 359-1056

**M:** (360) 900-7092

[julieteamherrmann@gmail.com](mailto:julieteamherrmann@gmail.com)

601 W 1st Ave #Ste 1400  
Spokane WA 99201

#1563583

Licensing Disclaimer



## MBS & Treasury Markets

UMBS 5.0 99.48 -0.03 | 10YR 4.250% +0.003% 4/20/2026 9:56AM EST

### Bonds Only Modestly Weaker After New Escalation Over The Weekend

Heading into the weekend, all indications were about as promising as they have been that the war was heading toward a peaceful conclusion. This was reflected in oil prices and Treasury yields being at multi-week lows (and stocks at all-time highs). But over the weekend, the U.S. fired on and seized an Iranian ship, and Iran said it was cancelling plans to re-open the Strait of Hormuz. Oil prices retraced almost all of Friday's drop on the news and bonds erased more than half of the associated gains. But both began bouncing back slowly in overnight trading. Bonds are now moving back into positive territory on recent headlines that suggest peace talks are back on.

**ALERT:** Weakest Levels Since AM Rally; MBS Down an Eighth From Highs

**MBS MORNING:** Why Are Bonds Surging This Morning?

## Today's Mortgage Rates

30YR Fixed 6.30% +0.01% | 15YR Fixed 5.91% +0.00% 4/20/2026

### Lowest Rates in Over a Month Despite Small Move Today

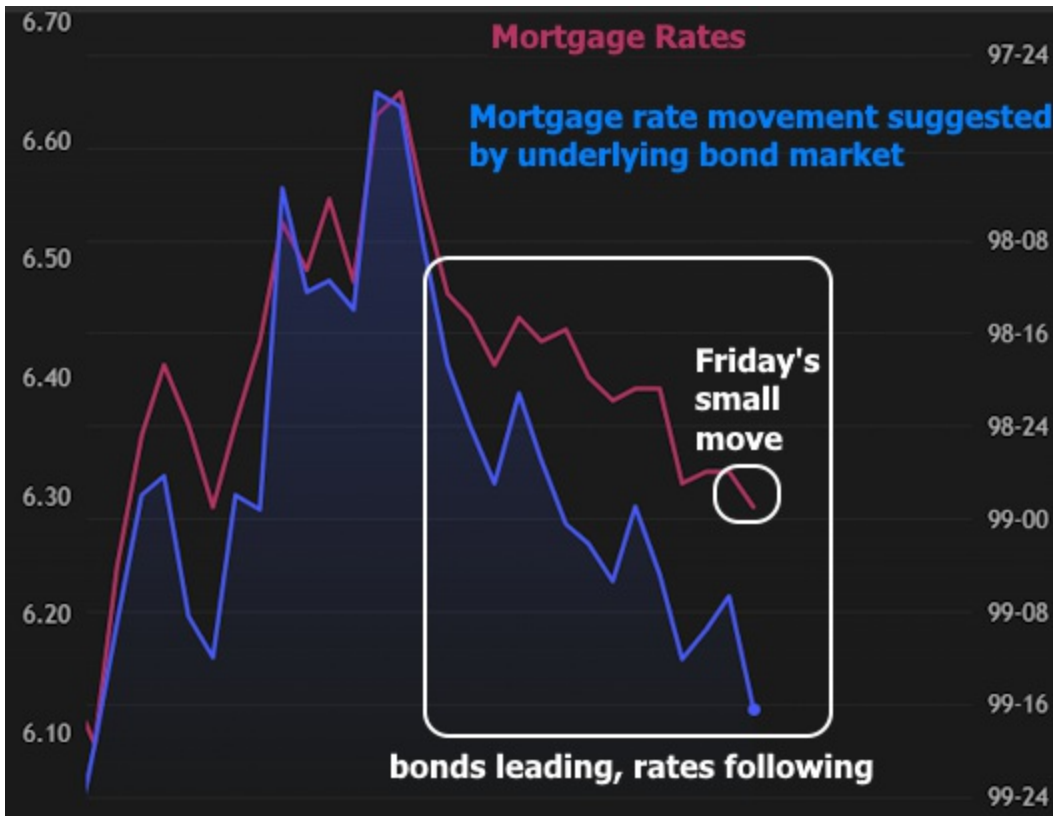
Today was a victory for , but not nearly as much of a victory as the underlying bond market would suggest. The good news is that the end result is the lowest average 30yr fixed rate in just over a month.

The other news isn't bad, per se, but it is a bit confusing.

As we often discuss, mortgage rates are based on bonds because mortgages "turn into" bonds in order to be traded on the secondary market. You don't need to understand that process in detail to accept that it's true. Case in point, here's a chart\* that overlays our average 30yr fixed rate and the most prevalent mortgage-backed security (a bond comprised of a pool of multiple mortgages).



Zooming in on Friday, we see bonds breaking lower at a faster pace than mortgage rates.



This is actually very normal behavior for mortgage rates--especially when they're falling into the lowest territory of the past few weeks. If the bond market gains are maintained next week, rates should increasingly be willing to close the gap. Conversely, if bonds bounce in the other direction, rates likely will as well, but they'll have some cushion and may not need to bounce as quickly.

*\*in both of today's charts, the right axis shows mortgage-backed securities PRICES. In the bond market, price varies inversely with yield (i.e. higher prices = lower rates). As such, the right axis is inverted (higher values at the bottom) in order to highlight the correlation with rates on the left axis. Otherwise, the chart would look like a Rorschach test and it would be impossible to detect these subtle changes.*

Time	Event	Actual	Forecast	Prior
<b>Monday, Apr 20</b>				
12:00AM	Roll Date - Ginnie Mae 30YR			
<b>Tuesday, Apr 21</b>				
8:15AM	ADP Employment Change Weekly			39K
8:30AM	Mar Retail Sales (%) ★★		1.4%	0.6%
8:30AM	Mar Retail Sales Control Group MoM ★★		0.2%	0.5%
10:00AM	Feb Business Inventories (%) ☆		0.3%	-0.1%
10:00AM	Mar Pending Home Sales (%) ☆		0.1%	1.8%
10:00AM	Fed Chair Nominee Kevin Warsh Confirmation Hearing ☆			
10:20AM	NY Fed Bill Purchases 1 to 4 months (%)		\$7.587 billion	
2:30PM	Fed Waller Speech ☆			

## Recent Housing News

- Builder Sentiment Drops to Seven-Month Low in April
- Mortgage Application Demand Finally Bounces
- Existing Home Sales Remain Flat in The Bigger Picture

## Read My Latest Newsletter

### Mortgage Rates Didn't Fall as Much as The Market Suggested

The good news: mortgage rates ended the week at the lowest levels in more than a month. The puzzling news: rates fell only modestly on Friday even though the bond market said they could have fallen more. Mortgage lenders consider several factors when deciding where to set mortgage rates. By far and away, the bond market is the most important of those factors. But sometimes rates don't do exa...

## Mortgage Calculators

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