

MARKET SUMMARY

Complete Recap of Today's Market Activity

Weaker Start. Bonds Not Recovering With Oil So Far

Market Summary: Monday, May 4, 2026 - 2:25PM

The overnight and early domestic trading hours have brought a mix of familiar and unfamiliar patterns. Up until roughly 8:30am, we saw a very familiar correlation between oil prices and bond yields. Both spiked at 6am following reports that 2 Iranian missiles hit a U.S. warship. Those reports were subsequently denied and oil prices made a full recovery. The unfamiliar pattern involves bonds breaking ranks with oil to move noticeably higher at 9:20am. There are no obvious explanations in the news or on the data calendar. That basically leaves conjecture. Given the timing, one possibility is that traders wanted to free up cash to "play" in equities markets during peak earnings season. This could also be driven by structural shifts in response to budget concerns. Either way, yields are very close to last Wednesday's highs (the highest since March 27th).

Latest Video Analysis



Some Volatility Surrounding Headlines, But Not Much Change



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MBS & Treasury Markets

UMBS 5.0 98.18 -0.52 | 10YR 4.448% +0.073% 5/4/2026 2:24PM EST

Negative Reprices Becoming More Likely

The market is actively reacting to a swath of war-related headlines that all generally speak to the notion of escalation in the Iran war. Bond yields are moving up with oil prices, but are also exhibiting some of their own negative momentum even when oil prices have plateaued.

10yr yields are up 8bps at 4.454--now breaking up and over the most recent technical ceiling at 4.42.

MBS are down 18 ticks (.56) on the day and more than a quarter point from most lenders' rate sheet print times. This makes negative reprices increasingly likely. Several lenders have already repriced.

ALERT: MBS Now Down 3/8ths on The Day

MBS MORNING: Weaker Start. Bonds Not Recovering With Oil So Far

Today's Mortgage Rates

30YR Fixed 6.56% +0.12% | 15YR Fixed 6.05% +0.04% 5/4/2026

Mortgage Rates End Week on a Calm Note

Low volatility was the most obvious theme for last week. From April 14th through last Friday, the range for a top-tier 30yr fixed rate remained in an ultra-narrow range of 6.29-6.33%. That trend persisted on Monday of this week, but things changed abruptly after that.

Tuesday and Wednesday saw moderately big increases that took the average all the way up to 6.50%. The past two days have been much calmer by comparison, even if rates remain elevated versus last week.

Today's resilience is most easily attributed to a slew of headlines suggesting that peace negotiations are at least being attempted by The U.S. and Iran. Additional progress toward a resolution (or lack thereof) is the most likely source of volatility for rates next week, but markets have also shown some willingness to react to big-ticket economic data (such as next Friday's jobs report).

[thirtyyearmortgagerates]

Time	Event	Actual	Forecast	Prior
Monday, May 04				
8:00AM	Apr Total Vehicle Sales (ml)	15.9M	16.0M	16.3M
10:00AM	Mar Factory orders mm (%)	1.5%	0.5%	0%
12:50PM	Fed Williams Speech ☆			
2:00PM	Loan Officer Survey			
Tuesday, May 05				
8:00AM	Feb Building Permits (ml)			1.386M
8:00AM	Mar Building Permits (ml)			
8:30AM	Mar Trade Gap (bl)		\$-60.5B	\$-57.3B
9:45AM	Apr S&P Global Services PMI ☆		51.3	49.8
9:45AM	Apr S&P Global Composite PMI ☆		52.0	50.3
10:00AM	Feb New Home Sales (ml) ☆			0.587M
10:00AM	Feb New Home Sales (%) (%)			-17.6%
10:00AM	Apr ISM N-Mfg PMI ★★		53.7	54.0
10:00AM	Apr ISM Services Employment ☆			45.2
10:00AM	Apr ISM Services Prices ☆			70.7
10:00AM	Apr ISM Biz Activity ☆			53.9
10:00AM	Apr ISM Services New Orders ☆			60.6
10:00AM	Mar New Home Sales (%) (%)			-17.6%
10:00AM	Mar JOLTs Job Quits (ml) ☆			2.974M
10:00AM	Mar USA JOLTS Job Openings (ml) ★		6.83M	6.882M
10:00AM	Mar New Home Sales (ml) ☆		0.668M	
10:00AM	Fed Bowman Speech ☆			
10:10AM	May IBD economic optimism		42	42.8
10:20AM	NY Fed Bill Purchases 1 to 4 months (%)		\$7.585 billion	
11:30AM	6-Week Bill Auction (%)			3.590%
12:30PM	Fed Barr Speech ☆			