

# MARKET SUMMARY

Complete Recap of Today's Market Activity

## Modest Recovery Ahead of Econ Data

Market Summary: Tuesday, May 5, 2026 - 12:19PM

After hitting the highest yields in more than a month yesterday, bonds have managed to pick up a few bps. The bulk of the recovery was already in place by yesterday's close, but yields dropped another 2bps after war-related headlines just after 8am (US general said Iran's attacks yesterday were below the threshold for war). Oil prices and bond yields continue the same old correlation. Coming up at 10am ET, we'll get 2 economic reports that have historically been capable market movers: Job Openings and ISM Services. We've seen some evidence that the market is still willing to react to data if it's far enough from expectations, but that risk is a bit asymmetric at present. Reason being: investors are waiting for economic weakness to show up due to high fuel prices. So it doesn't take as much of an upside surprise in the data to cause bond market weakness. Conversely, if data is slightly weaker than expected, that would be less of a surprise to most investors and thus not as much of a benefit to bonds.

### Latest Video Analysis



Markets Hit by Glut of Escalation Headlines



**MONEYHOUSE**

**Chris Munson**

SVP and Managing Director  
US Sales and Operations,  
The Money House

**P:** (407) 255-2047

**M:** (704) 957-5053

8751 Commodity Circle Ste 17  
Orlando FL 32819



## MBS & Treasury Markets

UMBS 5.0 98.44 +0.24 | 10YR 4.406% -0.032% 5/5/2026 12:18PM EST

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**ALERT:** Negative Reprices Becoming More Likely

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

## Today's Mortgage Rates

30YR Fixed 6.54% -0.02% | 15YR Fixed 6.04% -0.01% 5/5/2026

### Highest Rates in More Than a Month

Top-tier 30-year fixed rates are back above 6.5% today for the first time in more than a month for the average lender. Many lenders raised rates during the course of the day as well. Those who didn't will likely have to raise rates tomorrow unless the underlying bond market makes a significant recovery overnight.

Rates are driven by bonds and bonds are starting the week at higher yields in response to war-related developments. In general, escalation in the Iran war pushes bond yields higher by implying higher inflation via higher oil prices. Additionally, funding the war implies the need for more Treasury supply in the future as the U.S. issues debt to pay for the war. Higher supply leads to lower prices for bonds, and lower prices mean higher rates.

Today's top-tier rate of 6.56% is the highest since March 27th, when it was 6.62% and the third highest since August, 2025.

[thirtyyearmortgagerates]

Time	Event	Actual	Forecast	Prior
<b>Tuesday, May 05</b>				
8:30AM	Feb Building Permits (ml)	1.538M		1.386M
8:30AM	Mar Building Permits (ml)	1.363M		1.538M
8:30AM	Mar Trade Gap (bl)	-\$-60.3B	-\$-60.9B	-\$-57.3B
9:45AM	Apr S&P Global Services PMI ☆	51.0	51.3	49.8
9:45AM	Apr S&P Global Composite PMI ☆	51.7	52.0	50.3
10:00AM	Feb New Home Sales (ml) ☆	0.635M		0.587M
10:00AM	Feb New Home Sales (%) (%)	8.9%		-17.6%
10:00AM	Apr ISM N-Mfg PMI ★★	53.6	53.7	54.0
10:00AM	Apr ISM Services Employment ☆	48.0		45.2
10:00AM	Apr ISM Services Prices ☆	70.7		70.7
10:00AM	Apr ISM Biz Activity ☆	55.9		53.9
10:00AM	Apr ISM Services New Orders ☆	53.5		60.6
10:00AM	Mar New Home Sales (%) (%)	7.4%		-17.6%
10:00AM	Mar JOLTs Job Quits (ml) ☆	3.171M		2.974M
10:00AM	Mar USA JOLTS Job Openings (ml) ★	6.866M	6.84M	6.882M
10:00AM	May IBD economic optimism	42.6	42	42.8
10:00AM	Mar New Home Sales (ml) ☆	0.682M	0.65M	0.587M
10:00AM	Fed Bowman Speech ☆			
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 ☆			
<b>Wednesday, May 06</b>				
7:00AM	May/01 MBA Purchase Index			177.7
7:00AM	May/01 Mortgage Market Index			298.5
7:00AM	May/01 MBA Refi Index			977.9
8:15AM	Apr ADP jobs (k) ☆		99K	62K
9:30AM	Fed Musalem Speech ☆			
10:30AM	May/01 Crude Oil Inventory (ml)		-2.8M	-6.233M
1:00PM	Fed Goolsbee Speech ☆			
1:30PM	Fed Hammack Speech ☆			