

# MARKET SUMMARY

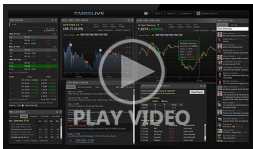
Complete Recap of Today's Market Activity

## Modest Recovery Ahead of Econ Data

Market Summary: Tuesday, May 5, 2026 - 1:29PM

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



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## MBS & Treasury Markets

UMBS 5.0 98.35 +0.15 | 10YR 4.416% -0.022% 5/5/2026 1:28PM 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 ☆                    |           |                 |           |