

MARKET SUMMARY

Complete Recap of Today's Market Activity

Big Overnight Recovery on Peace Deal Reports

Market Summary: Wednesday, May 6, 2026 - 1:55PM

There was one, big, obvious market mover overnight. At 4:50am ET, Axios reported that the U.S. and Iran are close to signing a one page memo of understanding to end the war. Oil and bond yields were already in recovery mode, but this kicked things into higher gear. Most of the gains remain even after both sides offered refutations (which the market now perceives as merely a negotiation tactic). Subsequent reports from other sources also speak to specific details in the peace deal that seem to specific to be made up. In early trading, ADP employment data had no impact and Treasury's confirmation of unchanged auction sizes helped bonds hold the overnight gains.

Gray Buffington

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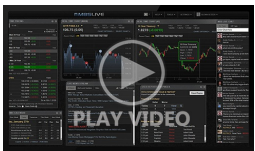
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Latest Video Analysis



Bonds Underperformed Oil Price Recovery

MBS & Treasury Markets

UMBS 5.0	98.77	+0.47	10YR	4.353%	-0.072%	5/6/2026 1:54PM EST
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MBS MORNING: Modest Recovery Ahead of Econ Data

ALERT: Negative Reprices Becoming More Likely

Today's Mortgage Rates

30YR Fixed	6.44%	-0.10%	15YR Fixed	6.00%	-0.04%	5/6/2026
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Mortgage Rates Edge Just Barely Lower

One popular refrain in the mortgage industry is that rates take the escalator on the way up and the stairs on the way down. Yesterday was definitely an "escalator" sort of day with the average lender moving up 0.12% for a top-tier 30yr fixed rate.

Based on improvement in the bond market, rates are lower today, but just barely. It's not so much that rates are taking the stairs down, but more like they're a small child, waiting at the top of the staircase--afraid to take that first step. Some lenders are not even lower compared to yesterday's levels. Others are only modestly better.

The absence of better improvement is at least partly attributable to the slower movement in the underlying bond market. Specifically, today's bond rally (good for rates) is less than one third the size of yesterday's sell-off (bad for rates).

Time	Event	Actual	Forecast	Prior
Wednesday, May 06				
7:00AM	May/01 MBA Purchase Index	171.1		177.7
7:00AM	May/01 Mortgage Market Index	285.3		298.5
7:00AM	May/01 MBA Refi Index	928.6		977.9
8:15AM	Apr ADP jobs (k) ☆	109K	99K	62K
8:30AM	10-Year Note Auction ☆			
9:30AM	Fed Musalem Speech ☆			
10:30AM	May/01 Crude Oil Inventory (ml)	-2.314M	-3.3M	-6.233M
1:00PM	Fed Goolsbee Speech ☆			
1:30PM	Fed Hammack Speech ☆			
Thursday, May 07				
7:30AM	Apr Challenger layoffs (k)			60.62K
8:30AM	Apr/25 Continued Claims (k) ☆		1800K	1785K
8:30AM	Q1 Unit Labour Costs QoQ Final ☆		2.6%	4.4%
8:30AM	May/02 Jobless Claims (k) ☆		205K	189K
10:00AM	Feb Construction spending (%)			
10:00AM	Mar Construction spending (%)		0.2%	-0.3%
10:20AM	NY Fed Bill Purchases 1 to 4 months (%)		\$7.585 billion	
11:00AM	Apr Consumer Inflation Expectations ☆			3.4%
2:05PM	Fed Hammack Speech ☆			
3:00PM	Mar Consumer credit (bl)		\$12.5B	\$9.48B
3:30PM	Fed Williams Speech ☆			