

MARKET SUMMARY

Complete Recap of Today's Market Activity

More Peace Deal Hope, More Overnight Gains

Market Summary: Thursday, May 7, 2026 - 2:40PM

Bonds and oil rallied again in the overnight session, though not as swiftly as they did yesterday. News was thinner, but there was still an obvious catalyst just before 3am with a WSJ report that the U.S. provided Iran a detailed framework to end the war. The line item that caught the market's attention was a change in the moratorium on uranium enrichment. Previously, it was permanent, but the new framework calls for 20 years. 10yr yields rallied several bps on the news and oil prices moved down about 4 dollars. There hasn't been much volatility in bonds since then with 8:30am data proving to be a non-event.

Latest Video Analysis



Pre-Market Gains Stuck Around All Day



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UMBS 5.0 98.61 -0.21 | 10YR 4.389% +0.042% 5/7/2026 2:39PM EST

Negative Reprice Risk Increasing

After several fresh war-related headlines, bonds are moving into negative territory. MBS are now down 1 tick (.03) on the day and more than an eighth from most lenders' rate sheet print times.

10yr yields are up 1.4bps at 4.361.

Headlines in question:

IRAN REJECTS U.S. STRAIT OF HORMUZ DEAL AS 'UNREALISTIC'

IRAN'S FOREIGN MINISTRY SPOKESPERSON STATED THAT IRAN HAS NOT DECIDED ON THE PROPOSAL AND HAS NOT RESPONDED TO THE U.S. YET.

CIA SAYS IRAN CAN OUTLAST HORMUZ BLOCKADE FOR MONTHS – WAPO

ALERT: MBS Down More Than an Eighth From Highs

MBS MORNING: More Peace Deal Hope, More Overnight Gains

Today's Mortgage Rates

30YR Fixed 6.44% +0.00% | 15YR Fixed 6.00% +0.00% 5/7/2026

Mortgage Rates Make a More Serious Recovery

spiked sharply on Monday, hitting the highest levels in more than a month as escalation fears ramped up surrounding the Iran war. Yesterday technically saw some recovery, but it may as well have been an "unchanged" day. Now today, we're seeing a more legitimate recovery with the average lender back down to last Friday's levels.

The move follows a drop in oil prices inspired by progress toward a peace agreement. News came out overnight that The U.S. and Iran were close to signing a one-page memo outlining a more formal peace agreement. While full details would take time to hammer out, this would effectively end the war.

Oil prices and bond yields fell at their fastest pace since mid April. Bond yields correlate with (in fact, they ARE interest rates), but mortgage rates are determined by slightly different bonds that are specific to the mortgage market. This means that mortgage rates and U.S. Treasury yields are almost always moving in the same direction, but at different paces, depending on the day.

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Economic Calendar

[Last Week](#)
[This Week](#)
[Next Week](#)

Time	Event	Actual	Forecast	Prior
Thursday, May 07				
5:30AM	Apr Challenger layoffs (k)	83.387K		60.62K
8:30AM	Apr/25 Continued Claims (k) ☆	1766K	1800K	1785K
8:30AM	Q1 Unit Labour Costs QoQ Final ☆	2.3%	2.6%	4.4%
8:30AM	May/02 Jobless Claims (k) ☆	200K	205K	189K
10:00AM	Feb Construction spending (%)	-0.2%		-0.3%
10:00AM	Mar Construction spending (%)	0.6%	0.2%	-0.2%
10:20AM	NY Fed Bill Purchases 1 to 4 months (%)		\$7.585 billion	
11:00AM	Apr Consumer Inflation Expectations ☆	3.6%		3.4%
2:05PM	Fed Hammack Speech ☆			
3:00PM	Mar Consumer credit (bl)	24.86B	\$12.5B	\$9.48B
3:30PM	Fed Williams Speech ☆			
Friday, May 08				
5:45AM	Fed Cook Speech ☆			
8:30AM	Apr Participation Rate ☆			61.9%
8:30AM	Apr Average earnings mm (%) ★		0.3%	0.2%
8:30AM	Apr Unemployment rate mm (%) ★★		4.3%	4.3%
8:30AM	Apr Non Farm Payrolls (k) ★★		62K	178K
10:00AM	May Consumer Sentiment (ip) ☆		49.5	49.8
10:00AM	May U Mich conditions ☆		52	52.5
10:00AM	May Sentiment: 5y Inflation (%) ☆			3.5%
10:00AM	May Sentiment: 1y Inflation (%) ☆			4.7%
7:30PM	Fed Daly Speech ☆			
7:30PM	Fed Goolsbee Speech ☆			
7:30PM	Fed Waller Speech ☆			
7:30PM	Fed Bowman Speech ☆			