

MARKET SUMMARY

Complete Recap of Today's Market Activity

Calm and Slightly Stronger, But Volatility Will be Back

Market Summary: Sunday, May 10, 2026 - 2:34PM

Once or twice per week, the bond market manages to post a fairly calm trading day against the prevailing backdrop of generally higher volatility. Today was such a day. The most helpful catalyst was an absence of any major war-related headlines and associated oil price volatility. That said, it's a near certainty that war-related volatility will be back in the coming week.

Latest Video Analysis



Calm and Slightly Stronger, But Volatility Will be Back



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|----------|-------|-------|------|--------|---------|---------------------|
| UMBS 5.0 | 98.90 | +0.26 | 10YR | 4.355% | -0.037% | 5/8/2026 5:00PM EST |
|----------|-------|-------|------|--------|---------|---------------------|

Forget What You Know About The Payroll Count

Everyone's been talking about the ongoing change in the significance of the payroll number in the jobs report. OK, not everyone, but economists and bond traders for sure. The issue is the rapid shift in the size of the labor force as well as recent volatility in the multiple jobholder category, among other things. Specifically, the labor force has been shrinking since November and was already growing at a slower rate before then. That means it takes a lower NFP number to keep unemployment flat. More importantly, it means that NFP is no longer the be all, end all economic indicator. For decades, NFP has been the go-to number in the jobs report while the unemployment rate was an afterthought. Now, it's the complete opposite. That's why NFP can come in at 115k vs 62k today while unemployment is 4.3 vs 4.3 and bonds are just a hair stronger (never would have happened before these structural changes began).

ALERT: Negative Reprice Risk Increasing

ALERT: MBS Down More Than an Eighth From Highs

Today's Mortgage Rates

| | | | | | | |
|------------|-------|--------|------------|-------|--------|----------|
| 30YR Fixed | 6.42% | -0.02% | 15YR Fixed | 5.99% | -0.01% | 5/8/2026 |
|------------|-------|--------|------------|-------|--------|----------|

Mortgage Rates End Week Slightly Lower

It ended up being a decent round trip for rates this week. Monday kicked things off with a jump to the highest level in more than a month, and the third highest since August 2025. But that ended up being the only day where rates went higher.

Wednesday brought the biggest chunk of the recovery with MND's daily rate index dropping 0.10%. Tuesday and Friday (today) each added a 0.02% drop, taking the index to 6.42% after ending last week at 6.44%.

War-related headlines were less of a factor today and volatility was unsurprisingly lighter as a result. This is an adjustment for seasoned rate watchers who are used to monthly jobs report being a distinct source of volatility. It's especially notable that the job count came in significantly higher with no ill effect on bonds/rates.

Over the past 6 months, markets have shifted their jobs report focus from the payroll count to the unemployment rate, reversing decades of precedent. Today's outcome is more logical in that context as the unemployment rate was right in line with expectations at 4.3%.

| Time | Event | Actual | Forecast | Prior |
|-----------------------|---|--------|-----------------|-------|
| Friday, May 08 | | | | |
| 5:45AM | Fed Cook Speech ☆ | | | |
| 8:30AM | Apr Participation Rate ☆ | 61.8% | | 61.9% |
| 8:30AM | Apr Average earnings mm (%) ★ | 0.2% | 0.3% | 0.2% |
| 8:30AM | Apr Unemployment rate mm (%) ★★ | 4.3% | 4.3% | 4.3% |
| 8:30AM | Apr Non Farm Payrolls (k) ★★ | 115K | 62K | 178K |
| 10:00AM | May Consumer Sentiment (ip) ☆ | 48.2 | 49.5 | 49.8 |
| 10:00AM | May U Mich conditions ☆ | 47.8 | 52 | 52.5 |
| 10:00AM | May Sentiment: 5y Inflation (%) ☆ | 3.4% | | 3.5% |
| 10:00AM | May Sentiment: 1y Inflation (%) ☆ | 4.5% | | 4.7% |
| 11:05AM | Fed Goolsbee Speech ☆ | | | |
| 2:20PM | Fed Goolsbee Speech ☆ | | | |
| 7:30PM | Fed Daly Speech ☆ | | | |
| 7:30PM | Fed Goolsbee Speech ☆ | | | |
| 7:30PM | Fed Waller Speech ☆ | | | |
| 7:30PM | Fed Bowman Speech ☆ | | | |
| Monday, May 11 | | | | |
| 10:00AM | Apr Exist. home sales % chg (%) ☆ | | | -3.6% |
| 10:00AM | Apr Existing home sales (ml) ☆ | | 4.05M | 3.98M |
| 10:20AM | NY Fed Bill Purchases 1 to 4 months (%) | | \$7.587 billion | |
| 1:00PM | 3-Yr Note Auction (bl) | | 58 | |