

MARKET SUMMARY

Complete Recap of Today's Market Activity

PPI Hit Even Harder Than CPI, But Damage is Minimal

Market Summary: Wednesday, May 13, 2026 - 2:25PM

The Producer Price Index (PPI) is much more volatile and, on average, much less of a market mover than the Consumer Price Index (CPI), but occasionally, it swings for the fences. Today's release is a clear example with the monthly headline coming in at 1.5 vs 0.5 forecast. In annual terms, headline inflation is a whopping 6.0% versus a 4.9% forecast--up sharply from last month's 4.3% (itself upwardly revised from 4.0%). This is easily the most onerous spike since the pandemic. Even though PPI hit the market harder than CPI, that's not saying much. Bonds are only 2bps weaker at 10am ET--a testament to how little this data tends to matter.

Latest Video Analysis



Highest Yields in 10 Months But Not Because of CPI

MBS & Treasury Markets

UMBS 5.0	98.05	-0.09	10YR	4.482%	+0.029%	5/13/2026 12:19PM EST
----------	-------	-------	------	--------	---------	-----------------------

New Lows For MBS

Bonds made a full recovery by 9:45am but have been selling off since then. The timing suggests retail investors changing asset allocation after hotter PPI, but could also include another round of concessionary selling ahead of the 30 year auction.

MBS are now down 5 ticks (.16) on the day and at least an eighth of a point from many lenders' rate sheet print times. This makes negative reprices a possibility for jumper lenders.

10yr yields are up 4.3bps at 4.496.



Brendon Garcia

Broker/Owner,
Collaborative Capital

<https://brendongarcia.com/>

P: (805) 253-2053

brendon@brendongarcia.com

Westlake Village, California

NMLS# 278724

NMLS# 2385760



MBS MORNING: PPI Hit Even Harder Than CPI, But Damage is Minimal

ALERT: Losing Ground After PPI Data

Today's Mortgage Rates

30YR Fixed 6.57% +0.01%

15YR Fixed 6.07% +0.03%

5/13/2026

Mortgage Rates Match Highest Level Since March

When the Iran war was in its initial escalation phase, the initial surge in markets took the top-tier 30yr fixed rate to 6.64% for the average lender by March 27th. Rates moved more than 0.30% lower by mid April as peace prospect improved.

The third phase of rate movement began in late April and has generally involved a jump back up toward 6.5% with the first 2 days of the present week accounting for a move from 6.42% to 6.56%. That matches the highest level seen since March 27th.

Bonds yields (which underlie rates) have followed longer-term oil prices to their highest recent levels as Trump said the U.S. is not in a hurry to end the war.

[thirtyyearmortgagerates]

Time	Event	Actual	Forecast	Prior
Wednesday, May 13				
7:00AM	May/08 MBA Refi Index	921.1		928.6
7:00AM	May/08 MBA Purchase Index	177.7		171.1
7:00AM	May/08 Mortgage Market Index	290.1		285.3
8:30AM	Apr PPI y/y ☆	6%	4.9%	4%
8:30AM	Apr Core PPI m/m (%) ☆	1%	0.3%	0.1%
8:30AM	Apr Core PPI y/y (%) ☆	5.2%	4.3%	3.8%
8:30AM	Apr PPI m/m (%) ☆	1.4%	0.5%	0.5%
10:30AM	May/08 Crude Oil Inventory (ml)	-4.306M	-2.10M	-2.314M
11:30AM	Fed Collins Speech ☆			
1:00PM	30-Year Bond Auction ☆	5.046%		4.876%
1:00PM	30-Yr Bond Auction (bl) ☆	25		
1:15PM	Fed Kashkari Speech ☆			
7:00PM	Fed Logan Speech ☆			
Thursday, May 14				
8:30AM	Apr Import prices mm (%)		1.0%	0.8%
8:30AM	May/09 Jobless Claims (k) ☆		205K	200K
8:30AM	May/02 Continued Claims (k) ☆		1790K	1766K
8:30AM	Apr Retail Sales Control Group MoM ★★★		0.4%	0.7%
8:30AM	Apr Retail Sales (%) ★★★		0.5%	1.7%
10:00AM	Mar Business Inventories (%) ☆		0.8%	0.4%
1:00PM	Fed Hammack Speech ☆			
5:45PM	Fed Williams Speech ☆			
7:00PM	Fed Barr Speech ☆			