MARKET SUMMARY

Complete Recap of Today's Market Activity

Stronger Start. Ho Hum Data

Market Summary: Thursday, May 14, 2026 - 3:58PM

A recovery toward lower oil prices paved the way for the bond market to recover yesterday morning's weakness and the same theme continued in the overnight session. 8:30am econ data represented a modest risk of volatility, but with Jobless Claims slightly higher and Retail Sales right on target, there was almost no detectable trading response. With that, we head into the rest of the session with markets on the lookout for any meaningful war-related headlines. More than a few hot takes are expecting the Trump/Xi meeting to yield some sort of breakthrough with respect to the war, but it's probably best to be pleasantly surprised if it happens (rather than actually planning on it happening).

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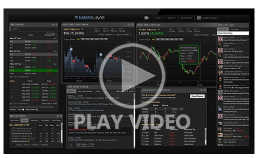

MBS Fully Recover After Initial Reaction to Inflation Data

MBS & Treasury Markets

UMBS 5.0	98.32	+0.10	10YR	4.454%	-0.011%	5/14/2026 1:54PM EST

New Lows and Slightly More Reprice Risk

Negative reprice risk was fairly limited when MBS hit their lows earlier today. Prices are now down another 3 ticks (.09) since then and nearly a quarter point from most lenders' rate sheet print times. This makes negative reprices a more legitimate risk heading into the final hour.

ALERT: Down More Than an Eighth From Highs

MBS MORNING: Stronger Start. Ho Hum Data

Today's Mortgage Rates

30YR Fixed	6.52%	-0.05%	15YR Fixed	6.04%	-0.03%	5/14/2026

Mortgage Rates Move Moderately Lower

May continues to be a more volatile month than the bulk of April when it comes to day over day mortgage rate movement. While the average day has seen that volatility play out in favor of higher rates, today was thankfully the opposite.

Yesterday's latest levels left the average lender at 6 week highs with a top tier 30yr fixed rate of 6.57. The underlying bond market was already beginning to recover yesterday afternoon. Combined with additional, modest bond market improvement overnight, today's 30yr fixed rate fell to 6.52% on average.

The Iran war remains the primary source of volatility for markets. Some analysts expect more traction on a peace deal to come out of Trump's meeting with Xi (which will continue into tomorrow). This is far from a given, but if it happens, it would almost certainly put additional downward pressure on rates.

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Thursday, May 14				
8:30AM	Apr Import prices mm (%)	1.9%	1.0%	0.8%
8:30AM	May/09 Jobless Claims (k) ☆	211K	205K	200K
8:30AM	May/02 Continued Claims (k) ☆	1782K	1790K	1766K
8:30AM	Apr Retail Sales Control Group MoM ★★	0.5%	0.4%	0.7%
8:30AM	Apr Retail Sales (%) ★★	0.5%	0.5%	1.7%
10:00AM	Mar Business Inventories (%) ☆	0.9%	0.8%	0.4%
10:15AM	Fed Schmid Speech ☆			
1:00PM	Fed Hammack Speech ☆			
1:00PM	Fed Bowman Speech ☆			
5:45PM	Fed Williams Speech ☆			
7:00PM	Fed Barr Speech ☆			
Friday, May 15				
12:00AM	Roll Date - UMBS 15YR, Ginnie Mae 15YR			
8:30AM	May NY Fed Manufacturing ☆		7.5	11.00
9:15AM	Apr Industrial Production (%) ☆		0.3%	-0.5%
12:00PM	NOPA Crush Report (%)			