

MARKET SUMMARY

Complete Recap of Today's Market Activity

Highest Yields in a Year After Trump/Xi Summit

Market Summary: Friday, May 15, 2026 - 12:52PM

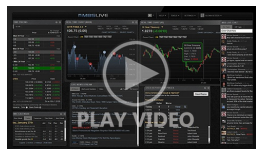
Far too many market participants were apparently hoping that some sort of positive news on the war would be somehow facilitated by the Trump/Xi summit over the past 2 days. But talks wrapped up in the overnight session with little to show for it. There was actually very little notable discussion about the war. Both parties want it to end, but China does not appear to be on the verge of taking action in that regard. Bonds began selling early in the overnight session and continued in the same direction into domestic hours. 10yr yields are the highest since May 2025 and MBS are down over half a point. Bonds also have considerations beyond simply following oil prices as the cost of the war continues to add up to more Treasury issuance and inflation expectations.

Paul

Summit Funding Advisors
LLC

3495 Piedmont Rd NE, Bldg 12, Ste
420
Atlanta Georgia 30305
NMLS #209017
NMLS CO #947748

Latest Video Analysis



Rally Reverses Leaving Bonds Weaker in The Afternoon

MBS & Treasury Markets

UMBS 5.0	97.38	-0.74	10YR	4.595%	+0.110%	5/15/2026 2:47PM EST
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Down More Than an Eighth vs 9:30am ET

MBS are now down just over 5/8ths of a point on the day. 5 ticks (.16) of that has been seen since 9:30am, which is an early part of the window for lender rate sheet print times.

Most every lender has baked in plenty of weakness to this morning's rate sheets, so the bar for negative reprices is probably a bit higher than normal (i.e. negative reprices aren't necessarily highly likely at the moment, but we're heading in that direction).

MBS MORNING: Highest Yields in a Year After Trump/Xi Summit

ALERT: New Lows and Slightly More Reprice Risk

Today's Mortgage Rates

30YR Fixed 6.62% +0.10% | 15YR Fixed 6.09% +0.05% 5/15/2026

Mortgage Rates Surge Toward 8-Month Highs

are driven by bonds and the bond market hoped to see more evidence of shift toward peace during the 2-day Trump/Xi meeting in China. As soon as Trump got back on the plane to head home, bonds began tanking (i.e. jumping to higher yields).

When bond yields spike, mortgage rates follow, and today is no exception. The average top-tier 30yr fixed rate is up to 6.62% this morning, right in line with levels seen on March 26th and 27th and the highest since August 1st.

If there's a silver lining, it's that mortgage rates aren't higher. Much of the credit goes to the ramp in purchases of mortgage-backed debt by Fannie and Freddie. The more mortgage debt they buy, the better it is for mortgage rates relative to benchmarks like U.S. Treasuries.

For instance, Treasuries are now well above the levels seen in late March and in line with levels from the first half of 2025 when mortgage rates were 7% instead of 6.62%.

Economic Calendar

Last Week

This Week

Next Week

Time	Event	Actual	Forecast	Prior
Friday, May 15				
12:00AM	Roll Date - UMBS 15YR, Ginnie Mae 15YR			
8:30AM	May NY Fed Manufacturing ☆	19.60	7.5	11.00
9:15AM	Apr Industrial Production (%) ☆	0.7%	0.3%	-0.5%
12:00PM	NOPA Crush Report (%)			
Monday, May 18				
8:30AM	Fed Venable Speech ☆			
10:00AM	May NAHB housing market indx		34	34