

MARKET SUMMARY

Complete Recap of Today's Market Activity

Bonds Turn Red Overnight on War Headlines

Market Summary: Thursday, May 21, 2026 - 2:51PM

Bonds spent most of the overnight session moving sideways to slightly stronger, but everything changed at 6:20am. That's when news broke regarding a statement from Iran's Khamenei saying that Uranium should not leave the country. Given that this is a sticking point for peace negotiations, the response in bonds/oil/etc was immediate and clear. Yields rose from 4.575 to 4.62 and continue to trade near there ever since.

Latest Video Analysis



Full Reversal and Then Some

MBS & Treasury Markets

| | | | | | | |
|----------|-------|-------|------|--------|---------|-----------------------|
| UMBS 5.0 | 97.30 | -0.05 | 10YR | 4.597% | +0.008% | 5/21/2026 12:49PM EST |
|----------|-------|-------|------|--------|---------|-----------------------|

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While there was a decent little chunk of line items on the econ calendar at 8:30am this morning, none of them generated any volume or volatility.

UPDATE: In Case You Missed It, This is Why Bonds Are Rallying

MBS MORNING: Bleeding Subsidies For Now, Headlines Helping But Bonds Remain Cautious



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Today's Mortgage Rates

30YR Fixed 6.65% -0.02%

15YR Fixed 6.22% +0.00%

5/21/2026

Mortgage Rates Recover After Starting Higher

After posting a decent recovery from 9-month highs yesterday, it looked like we were destined to bounce back toward slightly higher levels today. In fact, when lenders released their initial rates this morning, the average 30yr fixed rate was indeed moderately higher.

But shortly after 1pm ET, news broke regarding additional progress in the Iran war peace process. Much like many similar headlines of late, this one could easily unravel in the coming hours, but the bond market responded positively enough to erase the day's losses.

In general, when bonds are gaining, rates move lower. Today's intraday gains allowed lenders to "re-price" to lower rates. The average lender was just slightly lower than yesterday's latest levels as of 3pm ET.

On the plus side, lower is lower, and that's a victory for today. On the other hand, rates are still very close to long-term highs in the bigger picture. Additionally, and to reiterate a point above, we've seen these sorts of news stories come and go with markets ultimately erasing the initial move after the next set of headlines push the narrative back in the other direction.

Bottom line: this was a decent intraday gift, but we're not viewing it as a definitive pivot point in rate trends.

| Time | Event | Actual | Forecast | Prior |
|-------------------------|-----------------------------------|--------|----------|--------|
| Thursday, May 21 | | | | |
| 8:30AM | May/09 Continued Claims (k) ☆ | 1782K | 1790K | 1782K |
| 8:30AM | May Philly Fed Prices Paid | 47.90 | | 59.30 |
| 8:30AM | May/16 Jobless Claims (k) ☆ | 209K | 210K | 211K |
| 8:30AM | Apr Building Permits (ml) | 1.442M | 1.39M | 1.363M |
| 8:30AM | Apr Housing starts number mm (ml) | 1.465M | 1.41M | 1.502M |
| 8:30AM | May Philly Fed Business Index ☆ | -0.4 | 18 | 26.7 |
| 9:45AM | May S&P Global Composite PMI ☆ | 51.7 | | 51.7 |
| 9:45AM | May S&P Global Services PMI ☆ | 50.9 | 51.1 | 51.0 |
| 9:45AM | May S&P Global Manuf. PMI ☆ | 55.3 | 53.8 | 54.5 |
| 1:00PM | 10-yr Note Auction (bl) ★ | 19 | | |
| Friday, May 22 | | | | |
| 10:00AM | May Consumer Sentiment (ip) ☆ | | 48.2 | 49.8 |
| 10:00AM | May U Mich conditions ☆ | | 47.8 | 52.5 |
| 10:00AM | May Sentiment: 5y Inflation (%) ☆ | | 3.4% | 3.5% |
| 10:00AM | May Sentiment: 1y Inflation (%) ☆ | | 4.5% | 4.7% |
| 10:00AM | Apr CB Leading Index MoM (%) | | -0.2% | -0.6% |
| 11:00AM | Fed Waller Speech ☆ | | | |