

MARKET SUMMARY

Complete Recap of Today's Market Activity

Minimal Change After Overnight Volatility

Market Summary: Wednesday, June 3, 2026 - 5:38PM

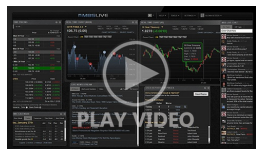
War headlines struck back in the overnight session. Specifically, Iran struck back against various U.S. and allied sites, allegedly in response to U.S. strikes on Iranian sites. Peace prospects take an obvious hit in response to these escalations and financial markets remain willing to react accordingly. Oil prices were already moving up to the highest levels in more than a week in the overnight session and that momentum peaked at 6am ET. Treasury yields followed and then stayed broadly sideways for the duration of the domestic session. In the bigger picture, 10s are well within the 4.43-4.51 range that dominated last week. War headline sensitivity continues accounting for 90% of forward-looking volatility risk while econ data rounds out the rest.



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Latest Video Analysis



Minimal Change After Overnight Volatility

UMBS 5.0 98.07 -0.27 | 10YR 4.491% +0.038% 6/3/2026 3:34PM EST

Down More Than an Eighth From Highs

MBS are now down almost 3/8ths of a point on the day and just over an eighth from the most recent high around 10:30am. Lenders who priced at that time (or shortly thereafter) could be considering negative reprices, but those higher levels only showed up during a 15-20 minute window.

10yr yields are up to 4.497--the highs of the day.

Headlines contributing to the move:

ARAGHCHI: OUR ARMED FORCES ARE CONDUCTING SELF-DEFENSE STRIKES ON SITES THE U.S. IS PERMITTED TO USE TO ATTACK CIVILIAN SHIPPING AND VIOLATE THE CEASEFIRE.

ANY HOSTILE ACT WILL BE MET WITH AN IMMEDIATE, DECISIVE RESPONSE. WHAT SANCTIONS AND WAR FAILED TO ACHIEVE WON'T BE WON WITH MORE WAR

MBS MORNING: Weaker Start on Renewed Bombing, But Still In The Range

MBS MORNING: Temporary Jolt From JOLTS as War Focus Remains

Today's Mortgage Rates

30YR Fixed 6.61% +0.04% | 15YR Fixed 6.13% +0.03% 6/3/2026

Mortgage Rates Move Back Up With Oil Prices

Imagine being stuck at home watching TV for 3 months and only being able to stream one show. That's been the case for the bond market (which dictates) since the beginning of March. The show in question involves watching war-related headlines and reacting in roughly the same manner as oil prices.

Today's episode was more interesting than yesterday's. Key details included reports of Iranian missile strikes on various U.S. and allied targets. In general, rates have improved on news that increases the odds of a peace deal. Unsurprisingly, today's headlines (technically, yesterday night, but reflected in today's rate movement) did the opposite.

Thanks to headline fatigue and desensitization, the rate market has been responding with less volatility over the past few weeks. As such, today's increase was fairly modest in the big picture but nonetheless leaves rates near their highest levels in more than 9 months.

[thirtyyearmortgagerates]

Time	Event	Actual	Forecast	Prior
Wednesday, Jun 03				
2:00AM	May Total Vehicle Sales (ml)	16.1M	16M	15.9M
7:00AM	May/29 MBA Purchase Index	164.8		169.7
7:00AM	May/29 Mortgage Market Index	252.8		259.4
7:00AM	May/29 MBA Refi Index	736.2		753.7
8:15AM	May ADP jobs (k) ☆	122K	117K	109K
9:00AM	Fed Barr Speech ☆			
9:45AM	May S&P Global Composite PMI ☆	51.5	51.7	51.7
9:45AM	May S&P Global Services PMI ☆	50.7	50.9	51.0
10:00AM	May ISM Services New Orders ☆	57.3		53.5
10:00AM	May ISM N-Mfg PMI ★★	54.5	53.8	53.6
10:00AM	May ISM Services Employment ☆	47.9		48.0
10:00AM	May ISM Biz Activity ☆	57.7		55.9
10:00AM	Apr Factory orders mm (%)	4.8%	4.6%	1.5%
10:00AM	May ISM Services Prices ☆	71.3		70.7
10:30AM	May/29 Crude Oil Inventory (ml)	-7.974M	-4M	-3.327M
11:00AM	Fed Goolsbee Speech ☆			
2:00PM	Fed Beige Book			
4:00PM	Fed Logan Speech ☆			
Thursday, Jun 04				
5:30AM	May Challenger layoffs (k)			83.387K
8:30AM	May/30 Jobless Claims (k) ☆		213K	215K
8:30AM	May/23 Continued Claims (k) ☆		1780K	1786K
8:30AM	Q1 Unit Labour Costs QoQ Final ☆		2.5%	4.6%
8:30AM	Fed Barkin Speech ☆			
9:20AM	NY Fed Bill Purchases 1 to 4 months (%)		\$6.576 billion	
1:10PM	Fed Daly Speech ☆			