

# MARKET SUMMARY

Complete Recap of Today's Market Activity

## Job Market Shouting "I'm Back!" Bond Market Doesn't Love It

Market Summary: Friday, June 5, 2026 - 4:17PM

Buzz has been growing around the labor market for the past several months, but today's jobs report went the extra mile to make it official. The job market is officially re-accelerating, or at the very least, it is making a strong claim that it is leveling off in a healthy way after a very long post-covid normalization. Payrolls surged to 172k vs an 85k forecast. The previous report was revised up to 179k from 115k. The unemployment rate held steady at a historically low 4.3% and dropped modestly on an unrounded basis. Meanwhile, the bond market left no doubt that it is more than willing to react to econ data if that data is important enough. 10yr yields are up 5.5bps instantly and MBS are down almost half a point.

### Latest Video Analysis



Modest Gains Maintained After Intraday Slippage



### Dan Clifton

The Home Loan Guru,  
Clifton Mortgage Solutions

[CliftonMortgageSolutions.com](http://CliftonMortgageSolutions.com)

**P:** (888) 681-0777

**M:** (407) 252-3039

[dan@cliftonmortgagesolutions.com](mailto:dan@cliftonmortgagesolutions.com)

1177 Louisiana Ave

Winter Park FL 32789

NMLS #284174



UMBS 5.0 97.70 -0.55 | 10YR 4.548% +0.071% 6/5/2026 2:14PM EST

### Job Market Says "I'm Not Dead Yet." Bond Market Doesn't Love It

Buzz has been growing around the labor market for the past several months, but today's jobs report went the extra mile to make it official. The job market is officially re-accelerating. Actually, the better claim would be that the jobs market is simply attempting to level off after a very long post-covid normalization. Most of today's charts show that quite well.

Payrolls surged to 172k vs an 85k forecast. The previous report was revised up to 179k from 115k. The unemployment rate held steady at a historically low 4.3% and dropped modestly on an unrounded basis. Volatility in the payroll count has been higher since Fall 2025. This is also apparent in the charts and it can be partially (maybe fully?) explained by the ongoing drop in survey response rates, both for consumers businesses (note the BLS data on response rates only runs through Jan/Feb).

Meanwhile, the bond market left no doubt that it is more than willing to react to econ data if that data is important enough. 10yr yields are up 5.5bps instantly and MBS are down almost half a point.

**ALERT:** Heavy Selling After Hotter Jobs Report

**MBS MORNING:** Losses Erased After Another Peace Teaser

## Today's Mortgage Rates

30YR Fixed 6.66% +0.08%

15YR Fixed 6.13% +0.02%

6/5/2026

### Mortgage Rates Jump After Strong Jobs Report

Over the past three months, mortgage rate movement has been driven primarily by developments in the Iran war. It's not that war, itself, is a consideration, but rather the implications for fuel prices and inflation. Bonds care deeply about inflation and are based directly on bonds.

When inflation isn't raging (or at the risk of raging), rates/bonds spend most of their time thinking about the economy. Lately, the data has been even-keeled enough that it hasn't had enough of an impact to override the war's inflation-related volatility, but today was an exception.

The jobs report not only crushed expectations, but it revised the past 2 reports sharply higher as well. The net effect is that the labor market looks more like it's finding its footing (possibly even accelerating) and less like it is still in the downtrend that characterized the post-covid normalization.

If all that was confusing, here's the simple version. More people got jobs than expected and the market didn't like it because it removes any argument in favor of the Fed cutting rates. Fed rates don't equal, but Fed rate expectations for the future cause mortgage rate movement in the present (and Treasury movement, and stock market movement, etc.).

On a bright note, even after today's rout, the average lender remains under the highs seen on May 19th. The Iran war is still the most important input for rates, and a confirmed peace deal would still provide relief.



Time	Event	Actual	Forecast	Prior
<b>Friday, Jun 05</b>				
8:30AM	May Participation Rate ☆	61.8%		61.8%
8:30AM	May Unemployment rate mm (%) ★★	4.3%	4.3%	4.3%
8:30AM	May Non Farm Payrolls (k) ★★	172K	85K	115K
8:30AM	May Average earnings mm (%) ★	0.3%	0.3%	0.2%
3:00PM	Apr Consumer credit (b)	\$20.70B	\$18B	\$24.86B
<b>Monday, Jun 08</b>				
11:00AM	May Consumer Inflation Expectations ☆			3.6%