

MARKET SUMMARY

Complete Recap of Today's Market Activity

What's Up With Bonds Decoupling From Oil, Etc.?

Market Summary: Tuesday, June 23, 2026 - 6:14AM

On the average trading day in the past few months, if oil prices were down, and especially if other bond markets were rallying, U.S. bonds were probably rallying too. Today was the opposite and there are no glaringly obvious reasons. It's the sort of trading session where analysts must go hunting for narratives to fit the unexpected trading action. The quarry of such hunts is fairly limited. There's the notion of an "ongoing reaction to last week's Fed announcement" (which we don't love considering there was already a friendly bounce on Thursday) and from there things get even less concrete, though not necessarily wrong. The upcoming Treasury auction cycle could indeed be causing some hesitation to buy at the start of the week. There's also some buzz surrounding military re-provisioning, which continues to imply ever-higher government debt issuance (a double whammy on auction week). Either way, the recent range remained easily intact, so while it's a bummer for today, it's not exactly an emergency.

Latest Video Analysis



Not Emergent But Minorly Inconvenient



Brendon Garcia

Broker/Owner,
Collaborative Capital

<https://brendongarcia.com/>
P: (805) 253-2053
brendon@brendongarcia.com
Westlake Village, California
NMLS# 278724
NMLS# 2385760



UMBS 5.0	98.04	+0.16	10YR	4.484%	-0.028%	6/23/2026 4:09AM EST
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Bonds Starting Weaker Despite Lower Oil and EU Bond Recovery

European bond yields surged higher on Friday in response to political uncertainty in the U.K., among other things (ongoing global reaction to Fed day and U.S./Iran peace deal status, etc). Treasury yields were set to open higher in the overnight session as a result. All of the above is logical and fairly boring. What's interesting is that Treasuries haven't taken the opportunity to recover. European yields certainly have and oil prices have steadily dropped back toward Thursday's lows. Additionally, the fact that 10yr and 2yr yields are up by the same amount suggests there's not an active Fed trade going on. That doesn't leave many compelling scapegoats. The only two that jump to mind are asset allocation trading (selling bonds, buying stocks), and perhaps some concessionary selling ahead of the Treasury auction cycle. On a more speculative note, the market could also be bracing for various Fed speeches this week, but we'd expect to see 2yr TSYs doing worse than 10s in that case.

ALERT: Weakest Levels

UPDATE: Down an Eighth From Highs

Today's Mortgage Rates

30YR Fixed	6.66%	+0.08%	15YR Fixed	6.20%	+0.05%	6/22/2026
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Mortgage Rates Bounce Back Toward Recent Highs

gave back the improvement seen last Thursday and broke above last Wednesday's levels to hit the highest mark since June 10th. This isn't a big range in the bigger picture, but it does leave rates near 10-month highs.

The move is also a bit counterintuitive given developments in other markets and typical correlations. For instance, On almost any other recent trading day, if oil prices and European bond yields are both moving lower (they are), so are U.S. bond yields and rates.

The disconnect may be as simple as an ongoing reaction to last week's Fed announcement which confirmed that investors need to brace for a potentially higher rate path in the future and--at the very least--less transparency about how that rate path may evolve.

[thirtyyearmortgagerates]

Time	Event	Actual	Forecast	Prior
Tuesday, Jun 23				
8:15AM	ADP Employment Change Weekly			25.5K
9:45AM	Jun S&P Global Manuf. PMI ☆		54.8	55.1
9:45AM	Jun S&P Global Composite PMI ☆			51.5
9:45AM	Jun S&P Global Services PMI ☆		51	50.7
11:30AM	6-Week Bill Auction (%)			3.600%
1:00PM	2-Yr Note Auction (bl)		69	
Wednesday, Jun 24				
7:00AM	Jun/19 Mortgage Market Index			269.5
7:00AM	Jun/19 MBA Refi Index			810.2
7:00AM	Jun/19 MBA Purchase Index			170.8
8:30AM	May Building Permits (ml)		1.413M	1.423M
9:20AM	NY Fed Bill Purchases 4 to 12 months (%)		\$3.319 billion	
10:00AM	May New Home Sales (ml) ☆		0.64M	0.622M
10:00AM	May New Home Sales (%) (%)			-6.2%
10:30AM	Jun/19 Crude Oil Inventory (ml)			-8.262M
11:30AM	2-Yr Note Auction (bl)	28		
11:30AM	2-Year FRN Auction (%)			0.089%
1:00PM	5-Yr Note Auction (bl) ★		70	
4:00PM	Fed Bank Stress Test Results ☆			