

# MARKET SUMMARY

Complete Recap of Today's Market Activity

## Red Night, Green Morning After Weaker Jobs Data

Market Summary: Thursday, July 2, 2026 - 9:43AM

Bonds continued drifting gently higher in the overnight session with 10yr yields just barely edging above 4.50% before today's big jobs report (the only calendar event of note before the holiday weekend). The reaction is perfectly reasonable given the data results. The payroll count was weaker (57k vs 110k, with another -71k of revisions) and bonds rallied immediately. If the 4-5bp rally in 10yr yields seems like less than you'd expect, turn your attention to 2 year yields which fell at a much quicker pace. This is a factor of its closer connection to the Fed Funds Rate (which makes sense if you consider "2 years" is closer to the duration of loans made at the Fed Funds Rate than "10 years"). From here, bond traders that remain at the desk will be eying exits at 2pm ET. Any remaining volatility may be a simple factor of light trader participation. Log today as a victory and wait for price discovery next week.

### Latest Video Analysis



Bonds Find Some Solace in Warsh



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UMBS 5.0 98.01 -0.03 | 10YR 4.491% +0.010% 7/2/2026 7:39AM EST

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Here's a fun little chart that puts quarter-end volume and volatility into perspective relative to a jobs report reaction:

**ALERT:** Down Just Over an Eighth From The Highs

**MBS MORNING:** Tuesday Sell-Off Sticking; Warsh and ISM On Deck

## Today's Mortgage Rates

30YR Fixed 6.65% +0.05% | 15YR Fixed 6.19% +0.04% 7/1/2026

### Mortgage Rates Jump to Highest Levels in a Week

In a real sense, today's rate update is more of an addendum to yesterday's rate update. Yesterday afternoon saw heavy, continued selling in the bond market amid a flood of trading associated with the end of the quarter. Because are directly based on the bond market, this resulted in multiple lenders raising rates late in the day (after yesterday's update).

Today has been much calmer by comparison with bonds holding fairly close to yesterday's latest levels after some early weakness. Even so, there was still some weakness for mortgage lenders to account for. From yesterday morning, the average lender is up 0.11% on a top tier 30yr fixed quote.

If we adjust yesterday afternoon to account for the late day reprices, today's rates are, instead, 0.05% higher. Either way, we're currently back in line with the highs from the beginning of last week, but still below the highs from early June or mid-May.

Time	Event	Actual	Forecast	Prior
<b>Thursday, Jul 02</b>				
4:00AM	Jun Total Vehicle Sales (ml)	16.5M	16.0M	16.1M
8:30AM	Jun/20 Continued Claims (k) ☆	1814K	1810K	1821K
8:30AM	Jun/27 Jobless Claims (k) ☆	215K	220K	215K
8:30AM	Jun Participation Rate ☆	61.5%		61.8%
8:30AM	Jun Average earnings mm (%) ★	0.3%	0.3%	0.3%
8:30AM	Jun Non Farm Payrolls (k) ★★	57K	110K	172K
8:30AM	Jun Unemployment rate mm (%) ★★	4.2%	4.3%	4.3%
10:00AM	May Factory orders mm (%)	-1.3%	-1.8%	4.8%
2:00PM	Happy 4th!! ★★			
<b>Friday, Jul 03</b>				
12:00AM	Happy 4th!! ★★			