MARKET SUMMARY

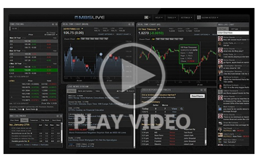
Complete Recap of Today's Market Activity

# Strong Start After Sharply Lower CPI

**Market Summary:** Tuesday, July 14, 2026 - 10:04AM

The Consumer Price Index came in FAR below expectations with a core reading of 0.0 vs 0.2 forecasts. In unrounded terms, it was -0.17%. Headline CPI was more sharply negative than expected at -0.4 vs a -0.1 forecast. Supercore (which excludes housing) was down -0.2 which is the first negative reading in over a year. Core goods also remained in negative territory for a second straight month. Bonds rallied instantly, led by the short end of the curve (more closely tied to Fed rate expectations). But even 10yr yields are down over 5bps and MBS are up more than 3/8ths of a point.

## Latest Video Analysis




Oil and Waller Double Whammy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EQUAL HOUSING LENDER

## MBS & Treasury Markets

| | | | | | | |
|---|---|---|---|---|---|---|
| UMBS 5.5 | 99.49 | +0.08 | 10YR | 4.610% | -0.006% | 7/14/2026 7:59AM EST |

### Strong Start After Sharply Lower CPI

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**ALERT:** Negative Reprice Risk Increasing

**MBS MORNING:** Weekend Weakness And Another Showdown With a Technical Ceiling

## Today's Mortgage Rates

| | | | | | | |
|---|---|---|---|---|---|---|
| 30YR Fixed | 6.75% | +0.11% | 15YR Fixed | 6.21% | +0.02% | 7/13/2026 |

### Mortgage Rates Near 1-Year Highs

are based on bonds. Because the bonds underlying the average mortgage are fixed rate, inflation is the enemy. Imagine you're an investor fronting the money for a fixed-rate mortgage. You know your schedule of payments from day one. Let's say the payment is $5 or enough to buy a dozen eggs.

Now let's say inflation raises the price of those eggs to $7. You're still only receiving $5 because you invested in a fixed-rate loan. Because of this dynamic, when inflation fears increase, investors demand higher rates of return.

We're dealing with two inflation threats right now: one is specific and one is general. The specific threat is that of elevated fuel prices stemming from the Iran war. As the fighting picked back up in July, so have rates. Today's war headlines were just the latest addition to the growing problem.

The general threat is a broad array of other prices in the marketplace that aren't directly impacted by fuel or tariffs. Fed governor Waller spoke about this additional inflation today and said that if it was high enough according to this week's inflation data (tomorrow and Wednesday) that the Fed could consider hiking rates as soon as this month.

So on the one hand, rates were already under pressure from the steady increase in fuel prices in recent days. Waller's comments added additional pressure.

The result is a top-tier, 30yr fixed rate that has returned to 6.75% for the average lender. This matches the high seen on May 19th, and you'd have to go back more than 11 months to see anything higher.

[thirtyyearmortgagerates]

## Economic Calendar

Last Week | This Week | Next Week

| Time | Event | Actual | Forecast | Prior |
| --- | --- | --- | --- | --- |
| **Tuesday, Jul 14** | | | | |
| 6:00AM | Jun NFIB Business Optimism Index | 97.4 | 95.8 | 95.3 |
| 8:15AM | ADP Employment Change Weekly | 19.75K | | 21.0K |
| 8:30AM | Jun y/y CORE CPI (%) | 2.6% | 2.8% | 2.9% |
| 8:30AM | Jun y/y Headline CPI (%) | 3.5% | 3.8% | 4.2% |
| 8:30AM | Jun m/m CORE CPI (%) | 0% | 0.2% | 0.2% |
| 8:30AM | Jun m/m Headline CPI (%) | -0.4% | -0.1% | 0.5% |
| 10:00AM | Fed Chair Warsh Testimony | | | |
| 11:30AM | 6-Week Bill Auction (%) | | | 3.635% |
| 12:40PM | Fed Barr Speech | | | |
| 1:00PM | Fed Goolsbee Speech | | | |
| 1:30PM | Fed Cook Speech | | | |
| 2:55PM | Fed Bowman Speech | | | |
| **Wednesday, Jul 15** | | | | |
| 12:00AM | Roll Date - UMBS 15YR, Ginnie Mae 15YR | | | |
| 7:00AM | Jul/10 Mortgage Market Index | | | 266.3 |
| 7:00AM | Jul/10 MBA Refi Index | | | 794.4 |
| 7:00AM | Jul/10 MBA Purchase Index | | | 169.5 |
| 8:30AM | Jun PPI m/m (%) | | 0% | 1.1% |
| 8:30AM | Jun PPI y/y | | 6.2% | 6.5% |
| 8:30AM | Jul NY Fed Manufacturing | | 8.8 | 5.70 |
| 8:30AM | Jun Core PPI y/y (%) | | 5.2% | 4.9% |
| 8:30AM | Jun Core PPI m/m (%) | | 0.4% | 0.4% |
| 8:45AM | Fed Williams Speech | | | |
| 10:00AM | Fed Chair Warsh Testimony | | | |
| 10:30AM | Jul/10 Crude Oil Inventory (ml) | | | 2.998M |
| 12:00PM | NOPA Crush Report (%) | | | |
| 1:00PM | Fed Cook Speech | | | |
| 2:00PM | Fed Beige Book | | | |
| 6:30PM | Fed Musalem Speech | | | |