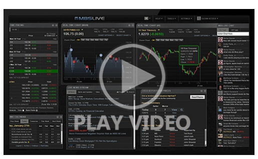
Wednesday's Gains Had More Staying Power Than Tuesday's

Market Summary: Wednesday, July 15, 2026 - 9:11PM

Both Tuesday's CPI and Wednesday's PPI came in much lower than expected. Both resulted in fairly big bond rallies. Whereas Tuesday's rally faded gradually after the initial pop, Wednesday's rally continued at a moderate pace as the day progressed. The only trade off was that the initial pop was a bit smaller. The net effect is that yields fell to the same levels seen in the few minutes following Tuesday's CPI. In that sense, the rally implies clear resistance at a 10yr yield level of 4.54%. From a strategic standpoint, rate watchers must consider that the data driving the rally benefited from June's lower fuel prices and that this dynamic has shifted back toward higher prices in July. With that in mind, the bond market's willingness to rally is actually rather impressive.

Latest Video Analysis



Wednesday's Gains Had More Staying Power

Dan Clifton
The Home Loan Guru,
Clifton Mortgage Solutions
CliftonMortgageSolutions.com
P: (888) 681-0777
M: (407) 252-3039
dan@cliftonmortgagesolutions.com
1177 Louisiana Ave
Winter Park FL 32789
NMLS #284174

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MBS & Treasury Markets

UMBS 5.5	99.75	+0.00	10YR	4.596%	+0.007%	7/14/2026 11:10PM EST

PPI Does Its Best CPI Impression. Bonds Like It

The Producer Price Index (PPI) is not normally a huge market mover, but it has its moments of moderate impact. Today is such a moment as PPI did its best to mimic yesterday's sharply lower CPI. There were also big revisions to previous months which brought annual PPI a full 1.0% lower from last month's initial reading (5.5% today vs a 6.0 previous reading, revised from 6.5% when initially reported). Fuel prices loom large in this data, as evidenced by Core monthly PPI at 0.2 vs 0.3. Unlike yesterday, most of today's shift was seen in revisions to previous months--especially May (headline revised from 1.1 to 0.6). Laundry list of little numbers aside, bonds like it. Fed Funds Futures improved. Treasuries and MBS have gone from modestly weaker to moderately stronger after the report.

As with yesterday, expect shorter term yields to improve more, and be cognizant of the risk that a breakout in oil prices could give bonds second thoughts about the AM rally.

MBS MORNING: Strong Start After Sharply Lower CPI

ALERT: Negative Reprice Risk Increasing

Today's Mortgage Rates

30YR Fixed	6.64%	-0.06%	15YR Fixed	6.18%	-0.02%	7/15/2026

Mortgage Rates Fall to Lowest Levels in a Week

moved lower again today following another lower-than-expected reading on an inflation report. Yesterday's Consumer Price Index (CPI) had a bigger impact on the underlying bond market, but today's Producer Price Index (PPI) wasn't far behind.

Additionally, bonds did a better job of holding onto the improvement into the afternoon hours. This allowed mortgage lenders to drop rates even more than they did yesterday (0.06% today versus 0.05% yesterday). This takes the average top-tier 30yr fixed rate to 6.64% which is the lowest in just over a week.

[thirtyyearmortgagerates]

Economic Calendar

Time	Event	Actual	Forecast	Prior
Wednesday, Jul 15				
12:00AM	Roll Date - UMBS 15YR, Ginnie Mae 15YR			
7:00AM	Jul/10 Mortgage Market Index	259.1		266.3
7:00AM	Jul/10 MBA Refi Index	821.9		794.4
7:00AM	Jul/10 MBA Purchase Index	157.2		169.5
8:30AM	Jun PPI m/m (%) ☆	-0.3%	0%	1.1%
8:30AM	Jun PPI y/y ☆	5.5%	6.2%	6.5%
8:30AM	Jul NY Fed Manufacturing ☆	15.60	8.8	5.70
8:30AM	Jun Core PPI y/y (%) ☆	4.7%	5.2%	4.9%
8:30AM	Jun Core PPI m/m (%) ☆	0.2%	0.4%	0.4%
8:45AM	Fed Williams Speech ☆			
10:00AM	Fed Chair Warsh Testimony ★★			
10:30AM	Jul/10 Crude Oil Inventory (ml)	-1.693M	-2.6M	2.998M
12:00PM	NOPA Crush Report (%)			
1:00PM	Fed Cook Speech ☆			
2:00PM	Fed Beige Book			
6:30PM	Fed Musalem Speech ☆			
Thursday, Jul 16				
8:30AM	Jul/11 Jobless Claims (k) ☆		217K	215K
8:30AM	Jul/04 Continued Claims (k) ☆		1820K	1814K
8:30AM	Jul Philly Fed Prices Paid			53.20
8:30AM	Jul Philly Fed Business Index ☆		13	10.3
8:30AM	Jun Retail Sales (%) ★★		0.2%	0.9%
8:30AM	Jun Retail Sales Control Group MoM ★★		0.5%	0.7%
10:00AM	Jul NAHB housing market indx		35	35
10:00AM	May Business Inventories (%) ☆		0.3%	0.5%
10:00AM	Jun Pending Home Sales (%) ☆		-0.5%	3.8%
12:30PM	Fed Logan Speech ☆			
7:00PM	Fed Jefferson Speech ☆			