MARKET SUMMARY

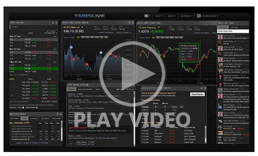
Complete Recap of Today's Market Activity

Sideways and Stronger, But Risks Remain

Market Summary: Monday, August 3, 2026 - 3:28PM

Monday was "nice." Bonds rallied more than a little bit and held those gains in an exceptionally flat manner all day. But there are caveats. Apart from last Friday, today's yields matched the long-term highs seen on July 23rd. Or on a more timely note, the rally didn't fully erase Friday's weakness. Additionally, strength was not a given. It required a fairly substantial drop in oil prices stepping from a fresh round Iran war optimism. This as been a fickle friend to say the least, though we'll never turn down the visit. Ample past precedent is a reminder that things can change quickly with respect to geopolitics. Last but not least, while econ data had no lasting impact today, Friday's jobs report is on another level.

Latest Video Analysis



Esoteric Forex Drama Blasts Bonds, Maybe

Chris Munson

SVP and Managing Director
US Sales and Operations,
The Money House

P: (407) 255-2047

M: (704) 957-5053

8751 Commodity Circle Ste 17
Orlando Fl 32819

MBS & Treasury Markets

UMBS 5.5	99.18	+0.29	10YR	4.688%	-0.048%	8/3/2026 1:24PM EST

Stronger Start on Iran News, Stronger Data Taken in Stride

Bonds opened the trading session in much stronger territory, following the drop in oil prices associated with another round of de-escalation hopes in the Iran war. The root cause was the cancellation of planned air strikes as well as comments that suggested a reopening of negotiations. As has been the case, markets don't really care if there's much substance or probability. It gets traded moderately and instantly simply due to possibility. Bonds were at their best levels just before 8am and had lost a bit of the rally by 10am. At that point, stronger ISM Services data momentarily threatened to extend the correction, but there was less than 20 seconds of selling before yields moved back below pre-data levels.

ALERT: More Yen Intervention. New Lows For MBS

ALERT: Quickly Moving to New Lows

Today's Mortgage Rates

30YR Fixed	6.82%	-0.01%	15YR Fixed	6.32%	+0.00%	8/3/2026

Mortgage Rates Roughly Unchanged Despite Bond Market Improvement

had a tough day on Friday, largely in response to bond market volatility surrounding heavy forex trading as a part of US/Japan efforts to prop up Japanese currency (not a common source of inspiration for rates). Higher oil prices didn't help.

As we begin the new week, de-escalation in the Iran war pushed oil prices much lower. As has been the case frequently during the war, bond yields followed oil prices in relative lock-step.

While it's almost universally true that lower bond yields beget lower mortgage rates, there are occasionally days where the correlation isn't as strong as normal. Today was one of them.

Whether or not any given lender was lower than Friday depends largely on whether they raised rates in the middle of the day on Friday. The average lender is still fairly close to the rates seen on Friday morning. Lenders who raised rates on Friday afternoon are generally a bit lower today.

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Monday, Aug 03				
9:45AM	Jul S&P Global Manuf. PMI ☆	53.9	53.8	53.9
10:00AM	Jul ISM Mfg Prices Paid ★	71.1	70.3	73.0
10:00AM	Jul ISM Manufacturing PMI ★★	55.6	54	53.3
10:00AM	Jul ISM Manufacturing Employment	52.8		49.7
10:00AM	Jun Construction spending (%)	-0.1%	0.2%	0.1%
2:00PM	Jul Total Vehicle Sales (ml)		16.3M	16.5M
2:00PM	Loan Officer Survey			
Tuesday, Aug 04				
8:30AM	Jun Trade Gap (bl)		$-73.0B	$-77.6B
9:20AM	NY Fed Bill Purchases 1 to 4 months (%)		$5.179 billion	
10:00AM	Jun JOLTs Job Quits (ml) ☆			3.065M
10:00AM	Aug IBD economic optimism		47.5	45.5
10:00AM	Jun Factory orders mm (%)		0.2%	-1.3%
10:00AM	Jun USA JOLTS Job Openings (ml) ★		7.45M	7.594M
11:30AM	6-Week Bill Auction (%)			3.700%