Market Summary
Complete Recap of Today's Market Activity

Hormuz Deal Hopes Turning Bonds Green at Open

Market Summary: Tuesday, August 4, 2026 - 12:05PM

This morning is offering another installment of hope for some form of progress in Iran. In today's case, it was Bessent floating the notion of possible Hormuz deal as early as this week. Markets will believe it when they see it, of course, but they're certainly willing to trade the hope. After moving modestly higher overnight, oil prices and bond yields are quickly lower in response to the headlines.

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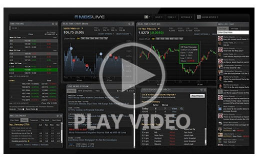

Sideways and Stronger, But Risks Remain

MBS & Treasury Markets

UMBS 5.5	99.50	+0.26	10YR	4.633%	-0.041%	8/4/2026 9:59AM EST

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MBS MORNING: Stronger Start on Iran News, Stronger Data Taken in Stride

ALERT: More Yen Intervention. New Lows For MBS

30YR Fixed	6.77%	-0.05%	15YR Fixed	6.30%	-0.02%	8/4/2026

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

Time	Event	Actual	Forecast	Prior
Tuesday, Aug 04				
8:30AM	Jun Trade Gap (bl)	$-73.3B	$-73.0B	$-77.6B
9:20AM	NY Fed Bill Purchases 1 to 4 months (%)		$5.179 billion	
10:00AM	Aug IBD economic optimism	45.1	47.5	45.5
10:00AM	Jun Factory orders mm (%)	-0.3%	0.2%	-1.3%
10:00AM	Jun JOLTs Job Quits (ml) ☆	3.232M		3.065M
10:00AM	Jun USA JOLTS Job Openings (ml) ★	7.359M	7.4M	7.594M
11:30AM	6-Week Bill Auction (%)	3.640%		3.700%
Wednesday, Aug 05				
7:00AM	Jul/31 MBA Purchase Index			159.8
7:00AM	Jul/31 Mortgage Market Index			247.2
7:00AM	Jul/31 MBA Refi Index			723.1
8:15AM	Jul ADP jobs (k) ☆		70K	98K
9:45AM	Jul S&P Global Services PMI ☆		53.6	51.2
9:45AM	Jul S&P Global Composite PMI ☆		53.6	51.9
10:00AM	Jul ISM Biz Activity ☆			55.4
10:00AM	Jul ISM Services Employment ☆			51.2
10:00AM	Jul ISM Services New Orders ☆			55.1
10:00AM	Jul ISM Services Prices ☆			67.7
10:00AM	Jul ISM N-Mfg PMI ★★		54.5	54.0
10:30AM	Jul/31 Crude Oil Inventory (ml)			-7.167M
4:05PM	Fed Cook Speech ☆			