MARKET SUMMARY

Complete Recap of Today's Market Activity

Much Stronger Start After Negative NFP Print

Market Summary: Friday, August 7, 2026 - 4:02PM

Nonfarm payrolls (NFP) FELL 23k versus an 80k forecast. Last month was revised down as well. From a traditional market-watching perspective, this is pure rally fuel. Indeed, bonds are rallying sharply so far. Let's hope it sticks. Why wouldn't it? As labor force dynamics have shifted, it doesn't take much job growth (or perhaps any?) to keep the unemployment rate steady. In fact, unemployment dropped in today's report, though it should be noted it's offset by a lower labor force participation rate (meaning unemployment basically held steady). We've seen some shifts in trading patterns after jobs reports in the past year, so don't assume this rally completely sticks (it could, and that would be great, but it's not as much of a given as it would have been if these numbers came out in 2024).

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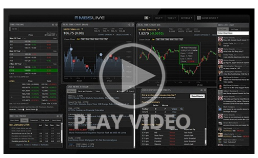
Latest Video Analysis



Almost Like Clockwork

MBS & Treasury Markets

UMBS 5.5	99.47	+0.23	10YR	4.652%	-0.025%	8/7/2026 1:59PM EST

Lows of the Day. Slightly More Reprice Risk

A small handful of lenders have already repriced. More may join them as Treasuries continue edging slightly higher and MBS nudge up against the lows of the day. Things have actually been almost perfectly flat since 11am, but average trade prices have fallen just a bit in the past 20 minutes. This is just enough for more lenders to consider pulling the trigger.

ALERT: Down Almost an Eighth From Rate Sheet Times

MBS MORNING: Much Stronger Start After Negative NFP Print, But...

Today's Mortgage Rates

30YR Fixed	6.74%	-0.03%	15YR Fixed	6.25%	-0.05%	8/7/2026

Mortgage Rates Slightly Higher Ahead of Jobs Report

rose modestly on Thursday, with multiple lenders making mid-day adjustments in response to bond market volatility. Bonds remain highly attuned to war-related developments and the impact on oil prices which, in turn, have a bearing on inflation implications. Higher inflation begets higher , all else equal.

In addition to the oil/inflation narrative, bonds also came under some pressure as Alphabet announced a large corporate bond offering. Like anything in the market, bond prices change in response to supply and demand. If a big corporate bond competes for investor demand, it can indirectly lower the demand for the bonds that underlie mortgage rates. When bond prices fall, rates rise.

The good news is that the adjustment is very small in the bigger picture. Additionally, yesterday's rates were the best in more than 2 weeks. In other words, today's rates are modestly higher than the 2-week lows.

There's potential for volatility tomorrow, for better or worse, in response to the monthly jobs report. And of course, war-related headlines create ongoing risk/opportunity for movement in either direction.

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Friday, Aug 07				
8:30AM	Jul Participation Rate ☆	61.4%		61.5%
8:30AM	Jul Unemployment rate mm (%) ★★	4.1%	4.2%	4.2%
8:30AM	Jul Non Farm Payrolls (k) ★★	-23K	80K	57K
8:30AM	Jul Average earnings mm (%) ★	0.1%	0.3%	0.3%
10:00AM	Fed Barkin Speech ☆			
11:00AM	Jul Consumer Inflation Expectations ☆	3.6%		3.7%
3:00PM	Jun Consumer credit (bl)	$14.17B	$10.5B	$-0.18B
Monday, Aug 10				