MARKET SUMMARY

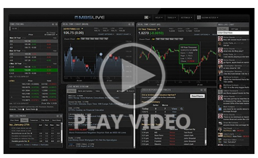
Complete Recap of Today's Market Activity

Bonds Looking Somewhat Optimistic Ahead of CPI

Market Summary: Tuesday, August 11, 2026 - 6:46PM

Bonds improved modestly on Tuesday which is actually a somewhat resilient/optimistic showing. The ongoing correlation with oil prices suggested less improvement (oil actually closed higher on the day). In addition, it's usually less of a surprise to see bonds struggle to rally on the first half of an auction cycle week. Granted, a spicy CPI on Wednesday would easily push back against any optimistic narratives, but if the data is tame, perhaps we're seeing hints that bonds would be more willing to respond than normal.

Latest Video Analysis



Bonds Looking Somewhat Optimistic Ahead of CPI

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MBS & Treasury Markets

UMBS 5.5	99.18	+0.12	10YR	4.695%	-0.014%	8/11/2026 4:44PM EST

Stronger Start on Yet Another Peace Deal Teaser

Bonds are rallying, and we have no objection to that. Reasons are simple and familiar enough that there's no sense in over-analyzing them. Newswires hit at 7am saying that Pakistan's defense minister said "things are shaping up in favor of peace" and that Pakistan's interior minister Khawaja Asif arrived in Tehran to discuss "matters of mutual interest."

Oil prices and bond yields are well versed in cautious reactions to such headlines. They're not ever going to cause a massive reaction, but just like the last 40-50 examples, they're enough for a noticeable but modest shift in trading levels.

ALERT: Negative Reprice Risk Increasing Just a Bit More

ALERT: MBS Down an Eighth Since 9:30am

Today's Mortgage Rates

30YR Fixed	6.79%	-0.01%	15YR Fixed	6.28%	-0.01%	8/11/2026

Mortgage Rates Sideways to Slightly Higher

It ended up being a remarkably uneventful day for . Some lenders were slightly higher than yesterday. Others were roughly unchanged. The difference came down to whether the lender in question raised rates yesterday afternoon.

What does this mean? Lenders prefer to set rates once per day around 10am ET. But if the underlying bond market makes a big enough move, lenders can change rates during the day. Bonds lost just enough ground yesterday for some lenders to raise rates. Contrast that to today where virtually every lender maintained the same levels throughout.

Tomorrow morning brings the latest release of the Consumer Price Index (CPI). This is one of the most important pieces of monthly economic data as far as rates are concerned. There's no way to know how it will impact rates ahead of time--only that a large deviation from expectations is likely to result in a larger-than-average move higher or lower.

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Tuesday, Aug 11				
6:00AM	Jul NFIB Business Optimism Index	99.8	97.5	97.4
8:15AM	ADP Employment Change Weekly	8.25K		15.0K
9:20AM	NY Fed Bill Purchases 1 to 4 months (%)		$5.179 billion	
10:00AM	Jul Existing home sales (ml) ☆	4.06M	4.05M	4.09M
10:00AM	Jul Exist. home sales % chg (%) ☆	-1.7%		-2.4%
11:30AM	6-Week Bill Auction (%)	3.670%		3.640%
1:00PM	3-Yr Note Auction (bl)	58		
Wednesday, Aug 12				
12:00AM	Roll Date - UMBS 30YR			
7:00AM	Aug/07 MBA Refi Index			709.1
7:00AM	Aug/07 Mortgage Market Index			240.0
7:00AM	Aug/07 MBA Purchase Index			154.0
8:30AM	Jul m/m CORE CPI (%) ★★		0.2%	0%
8:30AM	Jul y/y Headline CPI (%) ☆		3.4%	3.5%
8:30AM	Jul y/y CORE CPI (%) ★★		2.5%	2.6%
8:30AM	Jul m/m Headline CPI (%) ★		0.1%	-0.4%
10:30AM	Aug/07 Crude Oil Inventory (ml)		-0.5M	2.479M
12:00PM	WASDE Report (%)			
1:00PM	10-yr Note Auction (bl) ★		42	
2:00PM	Jul Federal budget (bl)		$-346B	$-120B