

# MARKET SUMMARY

Complete Recap of Today's Market Activity

## No Major Reaction to As-Expected CPI

Market Summary: Wednesday, August 12, 2026 - 1:01PM

It would have been hard for CPI to be any more boring. All key metrics came in perfectly in line with forecasts. Supercore (core minus housing), was 0.189, which is a monthly equivalent of "close enough to the 2.0% target." Core CPI itself was 0.215%, which extrapolates to 2.58% year-over-year. The volume response let's us know that traders were indeed ready to trade this data, but logically, it's hard to make a case for a directional bias when everything in the report was so bland. In other news, bonds rallied overnight, so "flat after CPI" means we're holding moderate gains.

### Latest Video Analysis



Bonds Looking Somewhat Optimistic Ahead of CPI



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### MBS & Treasury Markets

|          |       |       |      |        |         |                       |
|----------|-------|-------|------|--------|---------|-----------------------|
| UMBS 5.5 | 99.34 | +0.14 | 10YR | 4.676% | -0.016% | 8/12/2026 10:59AM EST |
|----------|-------|-------|------|--------|---------|-----------------------|

## Down an Eighth From Highs

10yr yields are still down 1.3bps on the day at 4.679 but that's up more than 3bps from the post-data lows.

Selling has been fairly steady but accelerated a bit after the 9:30am NYSE open as accounts sold both stocks/bonds simultaneously (a thing that sometimes happens, either in response to Fed rate expectations or due to risk parity trading). There were also a few block trades that came through around the same time.

The net effect for MBS is an eighth of a point drop from the AM highs, which incidentally coincide with some lenders' rate sheet print times. It's probably a bit early to guarantee reprice risk, but we're right on the edge for the jumpiest lenders. Another tick or two of weakness would make it a bigger risk (obviously).

**MBS MORNING:** No Major Reaction to As-Expected CPI

**MBS MORNING:** Stronger Start on Yet Another Peace Deal Teaser

# 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.

| Time              | Event                           | Actual  | Forecast | Prior   |
|-------------------|---------------------------------|---------|----------|---------|
| Wednesday, Aug 12 |                                 |         |          |         |
| 12:00AM           | Roll Date - UMBS 30YR           |         |          |         |
| 7:00AM            | Aug/07 MBA Refi Index           | 744.4   |          | 709.1   |
| 7:00AM            | Aug/07 Mortgage Market Index    | 248.6   |          | 240.0   |
| 7:00AM            | Aug/07 MBA Purchase Index       | 157.9   |          | 154.0   |
| 8:30AM            | Jul m/m CORE CPI (%) ★★         | 0.2%    | 0.2%     | 0%      |
| 8:30AM            | Jul y/y Headline CPI (%) ☆      | 3.4%    | 3.4%     | 3.5%    |
| 8:30AM            | Jul y/y CORE CPI (%) ★★         | 2.5%    | 2.5%     | 2.6%    |
| 8:30AM            | Jul m/m Headline CPI (%) ★      | 0.1%    | 0.1%     | -0.4%   |
| 10:30AM           | Aug/07 Crude Oil Inventory (ml) | 17.422M | -1.4M    | 2.479M  |
| 12:00PM           | WASDE Report (%)                |         |          |         |
| 1:00PM            | 10-yr Note Auction (bl) ★       | 42      |          |         |
| 2:00PM            | Jul Federal budget (bl)         |         | \$-346B  | \$-120B |
| Thursday, Aug 13  |                                 |         |          |         |
| 8:15AM            | Fed Hammack Speech ☆            |         |          |         |
| 8:30AM            | Jul Core PPI y/y (%) ☆          |         | 4.2%     | 4.7%    |
| 8:30AM            | Aug/08 Jobless Claims (k) ☆     |         | 202K     | 199K    |
| 8:30AM            | Aug/01 Continued Claims (k) ☆   |         | 1800K    | 1801K   |
| 8:30AM            | Jul PPI m/m (%) ☆               |         | 0.2%     | -0.3%   |
| 8:30AM            | Jul Core PPI m/m (%) ☆          |         | 0.3%     | 0.2%    |
| 8:30AM            | Jul PPI y/y ☆                   |         | 4.9%     | 5.5%    |
| 8:40AM            | Fed Barkin Speech ☆             |         |          |         |
| 1:00PM            | 30-Year Bond Auction ☆          |         |          | 5.058%  |
| 1:00PM            | 30-Yr Bond Auction (bl) ☆       |         | 25       |         |