MARKET SUMMARY

Complete Recap of Today's Market Activity

Good Luck Making Sense of Retail Sales Reaction

Market Summary: Friday, August 14, 2026 - 1:55PM

Based on a few research papers that have attempted to quantify the impact of various economic reports as well as the general consensus among economic calendar purveyors, Retail Sales is allegedly a top tier market mover. In fact, a somewhat recent attempt by CME to rank econ data has in 5th place ahead of CPI, PPI, and PCE. But in our experience, it is a report that has decent potential to cause market movement only when there's an open question as to the health of the economy. It is also easy for the market to look past when there are temporary factors in play. Fuel price volatility qualifies as one of those disqualifiers (even the calendar timing of Amazon Prime Day is often cited as a reason to tune out month-to-month discrepancies), and the market is trading accordingly.

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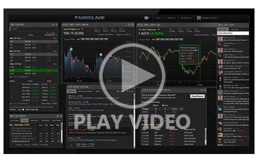

Solid Data-Driven Gains

MBS & Treasury Markets

UMBS 5.5	99.47	-0.14	10YR	4.687%	+0.044%	8/14/2026 11:49AM EST

Negative Reprices Slightly More Likely

MBS are down another few ticks and 10yr yields are pushing news highs for the day. The average lender is now seeing almost 6 ticks (.19) of weakness from morning rate sheet print times. That makes negative reprices a stronger possibility compared to at the time of the morning's first alert.

ALERT: MBS Now Down an Eighth From Some Rate Sheet Print Times

MBS MORNING: Good Luck Making Sense of Retail Sales Reaction

Today's Mortgage Rates

30YR Fixed	6.71%	+0.02%	15YR Fixed	6.29%	+0.03%	8/14/2026

Lowest Mortgage Rates in Nearly 4 Weeks

dropped noticeably on Thursday on a combination of lower oil prices and a lower inflation reading via the Producer Price Index (PPI). Rates are driven by bonds and bonds are highly responsive to the outlook for inflation and the economy. The Iran war caused inflation implications to spike and the periodic relief in fuel prices has coincided with bond market improvement (and lower rates).

The official inflation data is just another form of the same benefit. Fuel prices are just one aspect of inflation--albeit a critical one, but they're more of a leading indicator. In contrast, big government data like PPI and yesterday's CPI (Consumer Price Index) help the market more accurately measure the true impact of fuel prices.

PPI was only slightly lower than expected, but that was enough to account for most of today's improvement in rates. Top tier 30yr fixed rates fell 0.05% to 6.69% for the average lender. That's the lowest reading since July 17th--just one day shy of 4 weeks ago.

[thirtyyearmortgagerates]

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Friday, Aug 14				
8:30AM	Jul Retail Sales Control Group MoM	-0.4%	0.3%	0.5%
8:30AM	Jul Retail Sales (%)	-0.6%	0.1%	0.2%
9:00AM	Fed Venable Speech			
10:00AM	Aug Sentiment: 1y Inflation (%)	4.3%		4.2%
10:00AM	Aug U Mich conditions	51.8	55	54.8
10:00AM	Aug Sentiment: 5y Inflation (%)	3.3%		3.3%
10:00AM	Jun Business Inventories (%)	0%	0.1%	0.3%
10:00AM	Aug Consumer Sentiment (ip)	51.0	54.5	55.2
Monday, Aug 17				
12:00AM	Roll Date - UMBS 15YR, Ginnie Mae 15YR			
8:30AM	Aug NY Fed Manufacturing		10.2	15.60
10:00AM	Aug NAHB housing market indx		33	34
12:00PM	NOPA Crush Report (%)			