MARKET SUMMARY

Complete Recap of Today's Market Activity

Under Some Pressure For Usual Reasons

Market Summary: Monday, August 17, 2026 - 10:08AM

It's just another day in post-Iran-war 2026. As such, bonds are taking cues from fuel price volatility which is in turn taking cues from the latest war-related headlines. In this morning's installment, there were several headlines around 8:30am that didn't help. The most relevant update involved Iran saying it was shifting to an offensive strategy and was setting a deadline for the U.S. to implement the ceasefire memo before escalating. This made for a quick, obvious, but relatively small pop in bond yields at the time. With that, we're starting the day in slightly weaker territory as yields nudge up against longer-term ceilings. Notably, short term yields are unchanged to slightly stronger as Fed rate expectations continue to benefit from last week's inflation data.

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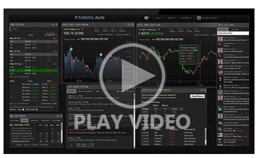

Making Some Sense of The Paradoxical Selling

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MBS & Treasury Markets

UMBS 5.5	99.38	-0.01	10YR	4.698%	+0.005%	8/17/2026 8:04AM EST

Under Some Pressure For Usual Reasons

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ALERT: Negative Reprices Slightly More Likely

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

Today's Mortgage Rates

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

Mortgage Rates Slightly Higher to End The Week

First, the bad news: ended the day just a hair higher compared to Thursday, but the change was so small that many borrowers will see little--if any--difference in pricing.

Now the good news: apart from yesterday afternoon, today's rates would still be the lowest in 4 weeks (i.e. you'd have to go back to July 17th to see anything lower).

Lastly, some news that's neither good nor bad, but simply a bit confusing. Today's higher rates followed this morning's Retail Sales report which came in much weaker than expected. Conventional wisdom would have suggested that weaker data coincides with lower rates.

One issue is that Retail Sales is not in the same league as top tier economic reports like the inflation data seen earlier this week or the jobs report seen last Friday. Also, there can be more nuance to the retail sales data by the time traders consider temporary factors and timing.

Lastly, sometimes the bonds market (bonds dictate rate movement) has simply done as well as it's going to do on any given week and it would take a much bigger surprise to overcome trading momentum that is happening for non-data-related reasons. In other words, traders can push back against the week's prevailing momentum on Friday simply as a byproduct of closing out the week's trading positions.

[thirtyyearmortgagerates]

Time	Event	Actual	Forecast	Prior
Monday, Aug 17				
12:00AM	Roll Date - UMBS 15YR, Ginnie Mae 15YR			
8:30AM	Aug NY Fed Manufacturing ☆	20.60	11	15.60
10:00AM	Aug NAHB housing market indx	35	33	34
12:00PM	NOPA Crush Report (%)			
Tuesday, Aug 18				
8:15AM	ADP Employment Change Weekly			8.25K
8:30AM	Jul Building Permits (ml)		1.37M	1.374M
8:30AM	Jul Import prices mm (%)		0.1%	0.3%
8:30AM	Jul Housing starts number mm (ml)		1.35M	1.427M
9:15AM	Jul Industrial Production (%) ☆		0.3%	0.1%
10:00AM	Jul Pending Home Sales (%) ☆		0.2%	-5.4%
11:30AM	6-Week Bill Auction (%)			3.670%