

MARKET SUMMARY

Complete Recap of Today's Market Activity

Weaker Start, But Traders Buying The Dip

Market Summary: Tuesday, August 18, 2026 - 2:22PM

Big picture momentum has been calmly but clearly skewed toward higher yields for almost 10 months. There have been a few attempts to bounce at technical ceilings along the way up from 4.0% 10yr yields (4.3%, 4.42%, and 4.75%). August has been mostly sideways near the longer-term highs, but the first two days of this week have set up another challenge of the 4.75% technical ceiling. From a simple "value buying" standpoint, there's always some magical line in the sand where investors will conclude yields are high enough to constitute a good buying opportunity. Over the past several years, this magic ceiling has ranged between 4.7 and 5.0. We've definitely seen some value buying in August for similar reasons, and 4.75% has filled that role so far this morning. Bottom line: bonds are back to unchanged after 10s hit 4.748% before the open. There's no other obvious way to justify the recovery apart from "dip buying."



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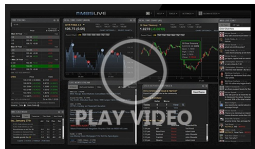
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War Headlines Pushing Oil and Yields Higher

MBS & Treasury Markets

UMBS 5.5	99.26	+0.01	10YR	4.704%	-0.018%	8/18/2026 4:20PM EST
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ALERT: Down an Eighth From Highs

MBS MORNING: Under Some Pressure For Usual Reasons

Today's Mortgage Rates

30YR Fixed	6.75%	+0.02%	15YR Fixed	6.31%	+0.01%	8/18/2026
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Mortgage Rates Start Week Higher

After ending last week near the lowest level since July 17th, are moving up to start the new week. Motivations are familiar. Escalation in U.S./Iran tensions is pushing fuel prices higher and bond yields continue to correlate. Bond yields correlate with consumer with near perfection.

In mortgage-specific terms, the average top-tier 30yr fixed rate moved up 0.02% today to 6.73%. This is still much lower than the most recent high of 6.85%, but not quite as low as last Thursday's 6.69%.

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Tuesday, Aug 18				
8:15AM	ADP Employment Change Weekly	9.5K		8.25K
8:30AM	Jul Building Permits (ml)	1.443M	1.37M	1.374M
8:30AM	Jul Import prices mm (%)	-0.4%	0.1%	0.3%
8:30AM	Jul Housing starts number mm (ml)	1.239M	1.35M	1.427M
9:15AM	Jul Industrial Production (%) ☆	0.2%	0.3%	0.1%
10:00AM	Jul Pending Home Sales (%) ☆	-2.3%	0.3%	-5.4%
11:30AM	6-Week Bill Auction (%)	3.645%		3.670%
Wednesday, Aug 19				
12:00AM	Roll Date - Ginnie Mae 30YR			
7:00AM	Aug/14 Mortgage Market Index			248.6
7:00AM	Aug/14 MBA Purchase Index			157.9
7:00AM	Aug/14 MBA Refi Index			744.4
10:30AM	Aug/14 Crude Oil Inventory (ml)			17.422M
1:00PM	20-Yr Bond Auction (bl)		16	
2:00PM	FOMC Minutes ★★			