MARKET SUMMARY

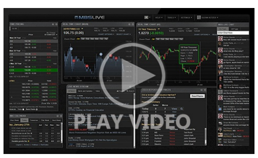
Complete Recap of Today's Market Activity

Boring Day But At Least Bonds Turned Green

Market Summary: Wednesday, August 19, 2026 - 1:56AM

Tuesday offered remarkably of interest or consequence for the bond market. The most notable development was the brief visit to 4.75% in 10yr yields followed by the emergence of the quintessential "dip buyer" (i.e. "hey look... yields are high enough again that I think I'm going to buy some Treasuries"). The post-9:30am timing adds emphasis to that mentality among the retail investor community. Apart from that, there were no obvious motivations or relevant data points. Wednesday suffers a similar absence of scheduled events with the only exception being the Fed Minutes release at 2pm ET.

Latest Video Analysis



Boring Day But at Least it Ended Green

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MBS & Treasury Markets

UMBS 5.5	99.34	+0.08	10YR	4.689%	-0.017%	8/18/2026 11:54PM EST

Weaker Start, But Traders Buying The Dip

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."

ALERT: Down an Eighth From Highs

MBS MORNING: Under Some Pressure For Usual Reasons

30YR Fixed	6.75%	+0.02%	15YR Fixed	6.31%	+0.01%	8/18/2026

Mortgage Rates Continue Higher Despite Bond Market Improvement

rose for the third straight day on Tuesday with the average top-tier 30yr fixed rate moving up a modest 0.02% to 6.75%. Notably, the bond market was actually in slightly better shape compared to yesterday--something that would normally be good news for rates.

So what's the catch? As is often the case when bonds and mortgages disagree, the x factor is timing. Mortgage lenders prefer to release rates once per day (usually around 10am ET) and they only change rates if the underlying bond market makes a big enough move in either direction.

Bonds lost ground yesterday, but not enough for the average lender to go to the trouble of raising the rates set earlier in the day. As such, lenders had to adjust for that bond market weakness with this morning's offerings. Ironically, the opposite dynamic is playing out today with bonds improving versus opening levels, but not by enough for the average lender to drop the rates set this morning.

Now for some context in 3 different levels: current levels are slightly below the mid-point of the past 4 weeks, but the past 4 weeks are at the top of the range seen over the past year. Lastly, the past year has been the the best 12 month stretch for rates since late 2022 and present rates remain below the mid-point of the past 4 years.

[thirtyyearmortgagerates]

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
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)		0.2M	17.422M
1:00PM	20-Yr Bond Auction (bl)		16	
2:00PM	FOMC Minutes ★★			
Thursday, Aug 20				
8:30AM	Aug/15 Jobless Claims (k) ☆		210K	209K
8:30AM	Aug Philly Fed Prices Paid			53.90
8:30AM	Aug/08 Continued Claims (k) ☆		1790K	1777K
8:30AM	Aug Philly Fed Business Index ☆		25	41.4
10:00AM	Jul CB Leading Index MoM (%)		0.1%	-0.2%
1:00PM	30-Yr Bond Auction (bl) ☆	8		