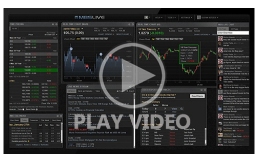
Tune Out The Noise

Market Summary: Friday, August 21, 2026 - 6:13AM

Yesterday's Treasury buyback announcement and today's comments from Bessent make for good drama in financial news, but the actual market impact had run its course within minutes of the initial announcement and we haven't seen solid evidence that the market has continued to care. Rather, the ample evidence is that an overnight oil price spike pushed bond yields higher. Peaks and valleys aligned perfectly. Elevated corporate issuance lingers constantly in the background causing broad elevation in bonds, but not much of an intraday impulse (even after an afternoon announcement of a big Broadcom bond offering in the pipeline).

Latest Video Analysis



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MBS & Treasury Markets

UMBS 5.5	99.27	+0.02	10YR	4.706%	+0.004%	8/21/2026 4:09AM EST

Back on The Pain Wagon (Which Runs on Oil)

The correlation between bonds and fuel prices was already creeping back into the picture yesterday. After the Treasury buyback announcement got all of the morning's attention, fuel prices guided the ebbs and flows in the second half of the day. Now today, we're fully back to regularly scheduled programming and there are only so many shows.

ALERT: MBS Down More Than an Eighth From Highs

MBS MORNING: Bonds Rally After Treasury Buyback Announcement (NOT QE)

Today's Mortgage Rates

30YR Fixed	6.76%	+0.04%	15YR Fixed	6.30%	+0.03%	8/20/2026

Highest Mortgage Rates in Just Over a Week

While Freddie Mac's weekly mortgage rate survey may show rates moving slightly lower this week, today's rates are actually higher than they were at the same time last week (6.76% vs 6.69%). Financial news continued to focus on yesterday's announcement of Treasury buybacks after Secretary Bessent spoke on CNBC this morning, but today's bump in rates had more to do with fuel prices.

Treasury yields serve as an almost perfect proxy for intraday rate movement with 10yr yields often seen as the most common at-a-glance benchmark for mortgage rate movement (i.e. they tend to move in the same direction by roughly similar amounts). 10yr yields and oil prices were at the lows of the day at 1am. Oil rose fairly quickly through 8am ET and Treasury yields followed. Both peaked at exactly the same time and then remained broadly sideways all day.

This isn't as scandalous or interesting as pretending today's rising rates had something to do with market backlash over the Treasury announcement, but it's the more accurate way to make sense of the day-over-day movement.

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Friday, Aug 21				
9:45AM	Aug S&P Global Services PMI		54	54.6
9:45AM	Aug S&P Global Manuf. PMI		53.9	53.9
9:45AM	Aug S&P Global Composite PMI			54.5
Monday, Aug 24				