MARKET SUMMARY

Complete Recap of Today's Market Activity

Tune Out The Noise (Part 2)

Market Summary: Monday, August 24, 2026 - 6:20PM

Last week, when Treasury announced higher per-operation limits for the buyback program, we advised tuning out the noise. Specifically, this meant that the announcement was not ever destined to be a material market mover or provide lasting relief for rates despite ample media coverage and the appearance of significance. It's more of the same to start the new week. Treasury sources threw out big numbers in reference to buyback operations by citing the Treasury General Account balance (basically, the government's checking account). Markets didn't care and neither should you. A big ramp in buybacks implies an equally big ramp in Treasury issuance. Buybacks can only influence the yield curve and not overall rate levels. Moreover, MBS run with the middle of the curve which might not see any benefit at all from excess buybacks in the 10-30yr space. Bonds rallied today due to lower fuel prices. The end.

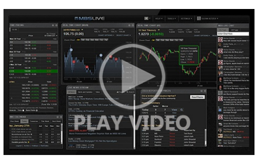
Michael Levine

Senior Loan Officer, CrossCountry Mortgage

M: 914-391-1183

2900 Westchester Ave.
Purchase NY 10577-____
307827

Latest Video Analysis



Tune Out The Noise (Part 2)

MBS & Treasury Markets

UMBS 5.5	99.19	+0.06	10YR	4.719%	-0.013%	8/23/2026 8:15PM EST

Slightly Stronger Start Mostly Due to Oil. Treasury News Fails to Inspire (Again)

Once again, Treasury is out with news about bond buying plans with two officials saying the Treasury General Account (TGA) could be used to fund long-end buybacks. TGA is Treasury's bank account. It gets money from taxes, Treasury issuance, tariffs, etc. Therefore, any way you slice it, Treasury bond buying = government spending, unlike Fed QE. At best, it can influence the yield curve, but it can't artificially suppress yields overall. This is why the bond market won't embark on a big, sustained rally in response to Treasury bond buying, no matter how big a deal financial media makes of the news. In today's case, it could be contributing to yield curve flattening, but the modest rally seen in the bond market is far easier to attribute to a decent drop in fuel prices overnight.

ALERT: Slightly More Reprice Risk

ALERT: MBS Down an Eighth

Today's Mortgage Rates

30YR Fixed	6.78%	+0.01%	15YR Fixed	6.62%	+0.01%	8/24/2026

Mortgage Rates Sideways to Slightly Higher

are based on bonds, but whereas bonds improved slightly from Friday's levels, mortgage rates are microscopically higher for the average lender. The issue is timing. Mortgage lenders set rates last Friday during a time of day when bonds were at their best levels.

In other words, today's improvement is only an improvement relative to Friday's closing levels. If we were to compare just the time of day when lenders set mortgage rates, bonds are flat to slightly weaker.

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Monday, Aug 24				
1:00PM	Treasury Secretary Bessent Speech (%)			
Tuesday, Aug 25				
8:00AM	Jul Building Permits (ml)		1.443M	1.374M
8:00AM	Fed Barkin Speech			
8:15AM	ADP Employment Change Weekly			9.5K
9:00AM	Jun FHFA Home Price Index m/m (%)		0.2%	0.3%
9:00AM	Jun FHFA Home Prices y/y (%)			2.2%
9:00AM	Jun Case Shiller Home Prices-20 y/y (%)		1.7%	1.6%
9:00AM	Jun CaseShiller 20 mm nsa (%)			0.9%
10:00AM	Jul New Home Sales (ml)		0.62M	0.628M
10:00AM	Jul New Home Sales (%) (%)			1.6%
10:00AM	Aug CB Consumer Confidence (%)		91.2	90.8
11:30AM	6-Week Bill Auction (%)			3.645%
1:00PM	2-Yr Note Auction (bl)		69	
4:00PM	Fed Barkin Speech			