# MARKET SUMMARY

Complete Recap of Today's Market Activity


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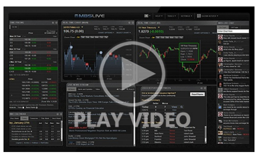
## Surprisingly Light Selling Given The Econ Data

**Market Summary:** Monday, September 7, 2026 - 10:09AM

Today's market reaction to the big beat in NFP (162k vs 56k) certainly stretches the paradigm of most market watchers who've been in the game for more than a few years, but this has been the reality over the past year or two. Relatively rapid changes in labor force trends (and ongoing changes in seasonal distortions) have made the job count a less precise measurement of labor market health than it once was. Meanwhile, the unemployment rate has been far more insulated from that volatility (and far less prone to big beats/misses compared to NFP). This doesn't mean NFP doesn't matter. Clearly, it does. It just didn't hit bonds quite as hard as you might expect. Very early in the day, attention turned to the 3-day weekend and next week's inflation data. The modest increase in yields was an incidental byproduct.

### Latest Video Analysis




Surprisingly Light Selling Given the Economic Data

### MBS & Treasury Markets

| | | | | | | |
|---|---|---|---|---|---|---|
| UMBS 5.5 | 98.88 | -0.08 | 10YR | 4.788% | +0.019% | 9/4/2026 5:59PM EST |

## Bonds Only Moderately Higher After Balmy NFP

The jobs count surged higher (162k vs 56k f'cast) in this morning's jobs report. While such wild divergences will have the masses crying foul, and while this is a large beat, it's not the first time that the headline job count has been this far off forecasts. This is especially understandable amid recent volatility in labor force composition. One minor saving grace is the steady unemployment rate, but unfortunately, the participation rate increased by 0.2%, which means the unemployment rate would have fallen 0.1-0.2 (depending on rounding) all else equal. Bonds weakened immediately on the news but 10yr yields are currently only 2.8 bps higher on the day.

The put this in better context, it has basically erased yesterday's Waller reaction in Fed Funds Futures--not a big move in the bigger picture.

**ALERT:** MBS Down an Eighth From Mid-Day Highs

**MBS MORNING:** Some Signs of Resilience

## Today's Mortgage Rates

| 30YR Fixed | 6.89% | +0.01% | 15YR Fixed | 6.49% | +0.01% | 9/4/2026 |
| --- | --- | --- | --- | --- | --- | --- |

# Rates Only Slightly Higher Despite Strong Jobs Report

have a long and storied past with the monthly jobs report. Officially titled "The Employment Situation," the Bureau of Labor Statistics' (BLS) jobs report has more power than any other monthly economic report to cause volatility in the rate market over the years. It may have lost some of that capability over the past few years, but it's always worthy of respect.

With that in mind, it was an ominous sign for rates when this morning's jobs data came in MUCH stronger than expected. BLS counted 162k new jobs created compared to a median forecast of 56k. On many occasions in the past, the result of such a "beat" would have been a substantial increase in mortgage rates.

These days, however, the job count carries a bit less weight than it used to for a variety of reasons. It definitely had an impact today, but a much smaller impact than career rate-watchers may have expected. Average top-tier 30yr fixed rates moved only modestly higher and remained safely below the long-term highs seen on Wednesday.

[thirtyyearmortgagerates]

## Economic Calendar

Last Week | This Week | Next Week

| Time | Event | Actual | Forecast | Prior |
| --- | --- | --- | --- | --- |
| **Monday, Sep 07** | | | | |
| 12:00AM | Labor Day ★★ | | | |
| **Tuesday, Sep 08** | | | | |
| 6:00AM | Aug NFIB Business Optimism Index | | 99.3 | 99.8 |
| 8:15AM | ADP Employment Change Weekly | | | 11.75K |
| 11:00AM | Aug Consumer Inflation Expectations ☆ | | | 3.6% |
| 1:00PM | 6-Week Bill Auction (%) | | | 3.735% |
| 1:00PM | 3-Yr Note Auction (bl) | | 58 | |
| 3:00PM | Jul Consumer credit (bl) | | $12B | $14.17B |