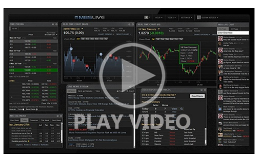
Some Signs of Resilience But It's Still Anyone's Game

Market Summary: Wednesday, September 16, 2026 - 6:25AM

After several consecutive business days of abject unpleasantness in the bond/mortgage market, Tuesday finally offered a modest consolation. During domestic trading hours, every attempt to push 10yr yields over 5% was met with a supportive bounce--presumably from value buyers targeting 5% as a good entry point to own 10yr notes for investment purposes. We wouldn't read too much into this just yet. It is a defensible conclusion today (especially in light of oil prices surging over to over $106), but Wednesday's Fed reaction could completely change the landscape. We'll discuss "what if" scenarios in today's recap video.

Latest Video Analysis



Some Signs of Resilience

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MBS & Treasury Markets

UMBS 5.5	97.09	+0.01	10YR	5.006%	+0.005%	9/16/2026 4:19AM EST

5% Yields Bringing Value Buyers?

With no meaningful econ data on tap today and no high stakes events, bonds are left to watch news headlines and attend to last-minute positioning goals before tomorrow's Fed announcement. There's a bit more of a disconnect between oil prices and bond yields than normal today. Earlier in the overnight session, yields actually led the way higher. In the past hour, however, oil is spiking and yields are trying to hold under yesterday's domestic session highs. This might (MIGHT!) speak to some level of exhaustion among sellers in the long end of the curve, or some value buyers who like the idea of 5% rate of return on fixed income.

ALERT: Down More Than an Eighth From Highs

UPDATE: Back Into Positive Territory After War/Trump Headlines

Today's Mortgage Rates

30YR Fixed	7.22%	+0.05%	15YR Fixed	6.82%	+0.12%	9/15/2026

Mortgage Rates Higher Again Ahead of Fed

moved higher for the 6th day in a row on Tuesday and to the highest levels since January, 2025. The average top-tier 30yr fixed rate is up to 7.22% and the most prevalently-quoted top-tier rate is 7.25%. Over the past 6 days, the average is up 0.33%, which is is the most abrupt jump since October 2024.

At least some of the recent volatility is due to the implications of recent economic data and oil price implications on Fed policy. Tomorrow brings the next regularly-scheduled Fed announcement. Markets are heavily betting that the Fed hikes rates at this meeting.

Despite the expectations, not all experts agree that a hike is a foregone conclusion. As such, no matter what the Fed does, there's a higher risk of a volatile response in rates.

Volatility can go both ways, of course. The Fed Funds Rate applies to a different part of the rate continuum than mortgage rates. Even in the past 6 weeks, we've seen several examples of Fed Funds Rate expectations move in the opposite direction from longer-term rates like mortgages.

All that to say, a Fed rate hike tomorrow--in and of itself--does not necessarily mean higher mortgage rates. In fact, some would argue that an absence of a Fed rate hike could be the worse outcome for longer-term rates. Speculation aside, there is more to a Fed announcement than a mere "cut/hold/hike" decision, and markets will take all of it into consideration before committing to a big reaction.

[thirtyyearmortgagerates]

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Wednesday, Sep 16				
12:00AM	Roll Date - UMBS 15YR, Ginnie Mae 15YR			
7:00AM	Sep/11 MBA Refi Index	627.1		687.3
7:00AM	Sep/11 MBA Purchase Index	156.2		157.5
7:00AM	Sep/11 Mortgage Market Index	230.8		240.6
8:30AM	Aug Import prices mm (%)		0.4%	-0.4%
8:30AM	Aug Retail Sales (%) ★★		0.8%	-0.6%
8:30AM	Aug Retail Sales Control Group MoM ★★		0.4%	-0.4%
10:00AM	Jul Business Inventories (%) ☆		0.3%	0%
10:00AM	Sep NAHB housing market indx		34	35
10:30AM	Sep/11 Crude Oil Inventory (ml)		-1.6M	-0.391M
2:00PM	FOMC Economic Projections ★★			
2:00PM	Interest Rate Projection - 1st Yr			3.6%
2:00PM	Interest Rate Projection - 2nd Yr			3.4%
2:00PM	Interest Rate Projection - Longer			3.1%
2:00PM	Interest Rate Projection - Current			3.8%
2:00PM	Interest Rate Projection - 3rd Yr			3.1%
2:00PM	Fed Interest Rate Decision ★★		4%	3.75%
2:30PM	Fed Press Conference ★★			
Thursday, Sep 17				
8:30AM	Sep/05 Continued Claims (k) ☆		1780K	1774K
8:30AM	Sep/12 Jobless Claims (k) ☆		208K	206K
8:30AM	Sep Philly Fed Business Index ☆		30.5	47.4
8:30AM	Aug Housing starts number mm (ml)		1.31M	1.239M
8:30AM	Aug Building Permits (ml)		1.41M	1.433M
8:30AM	Sep Philly Fed Prices Paid			40.90
10:00AM	Aug Pending Home Sales (%) ☆		2%	-2.3%
1:00PM	10-yr Note Auction (bl) ★	19		