

MARKET SUMMARY

Complete Recap of Today's Market Activity

Why Are Bonds Selling Today?

Market Summary: Friday, September 18, 2026 - 3:03PM

After Thursday's rather triumphant trading session in the bond market, today's moderate losses may be unpleasant or surprising to some. But they should be neither. Thursday was a bit exuberant in a good way, and Fridays often see position squaring. A bit of a pull-back is not only survivable but arguably more logical this morning, especially with oil prices being modestly higher. Bottom line: if MBS manage to hold this line without losing much more than a quarter point, and if 10yr yields end below 5%, compare today's closing levels to Tuesday's, consider that the Fed hiked this week and added 1-2 more hikes to the near-term outlook, and that bonds are somehow still better than the day before Fed day.



Brian Murtaugh

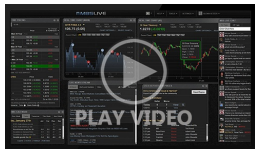
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More Confirmation Throughout The Day

MBS & Treasury Markets

UMBS 6.0	99.64	-0.32	10YR	4.998%	+0.065%	9/18/2026 12:59PM EST
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MBS MORNING: Stars Aligning, Oil Falling, Or Some of Both?

ALERT: Negative Reprice Risk Increasing

Today's Mortgage Rates

30YR Fixed	7.20%	+0.01%	15YR Fixed	6.83%	+0.02%	9/18/2026
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Mortgage Rates Back Near Lows of The Week

We love it when a plan comes together. Heading into yesterday's Fed announcement, the hope was that a rate hike would reassure investors in longer-term bonds (like those that underlie). We also didn't expect that benefit to necessarily play out on the day of the hike itself (it didn't).

In fact, Fed day threw rates a bit of a curveball--not because the Fed hiked, but rather, due to the implications for additional hikes in Fed Chair Warsh's press conference. Thankfully, as of today, Warsh's unexpected hawkishness proved to be a temporary inconvenience for the market and rates are now back to the lowest levels of the past 4 days (and very close to the lowest levels of the week seen on Monday).

There's no guarantee about where we'll go from here, but common themes remain important. These include big ticket economic data and oil price volatility relating to Iran war developments.

After hitting 7.24% yesterday, the average top-tier 30yr fixed rate is back down to 7.19%.

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Friday, Sep 18				
12:00AM	Roll Date - Ginnie Mae 30YR			
9:15AM	Aug Industrial Production (%) ☆	0%	0.3%	0.2%
9:30AM	Fed Bowman Speech ☆			
10:00AM	Aug CB Leading Index MoM (%)	-0.1%	0.1%	0.2%
11:45AM	Fed Schmid Speech ☆			
Monday, Sep 21				
6:30AM	Fed Goolsbee Speech ☆			