MARKET SUMMARY

Complete Recap of Today's Market Activity

More Mid-Morning Selling, But MBS Outperforming

Market Summary: Friday, September 25, 2026 - 4:10PM

10yr yields began the morning in slightly stronger territory, generally following a modest decline in oil prices overnight. That trend actually ran its course by 5am ET and yields began rising gradually at that time. Sellers picked up the pace after 10am (partly oil-related, but certainly also plenty of bond-specific selling pressure). Yields are now up a few bps on the day with the 10yr at 5.227 as of 10:45am. MBS, meanwhile are still just a hair stronger (though they've also lost ground at the same time as Treasuries). The outperformance has a lot to do with the yield curve today. Shorter term yields are still green, and MBS tend to trade less like a 10yr and more like a 5yr. The rest of the day is anyone's guess. There's a lot of fear and uncertainty in the bond market this week. Next week's econ data is high-stakes, and the month/quarter-end trading environment adds extra potential volatility to the mix.

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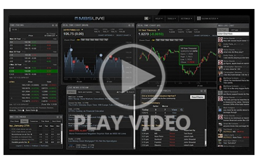

Brutal Day And For The Scariest Reason

MBS & Treasury Markets

UMBS 6.0	98.55	+0.35	10YR	5.197%	-0.004%	9/25/2026 2:04PM EST

Bonds Snap Back to Strongest Levels on War Headlines

"Iran-US Talks Enter Technical Stage, Al-Jazeera Journalist Reports – CBS"

Oil prices dropped from 94 to under 92 almost instantly on that headline and 10yr yields are following, now down 3.4bps at 5.167.

MBS are up nearly 3/8ths of a point and at the day's best levels.

MBS MORNING: More Mid-Morning Selling, But MBS Outperforming

ALERT: Yes, a Reprice Alert Already (Sorry)

Today's Mortgage Rates

30YR Fixed	7.49%	+0.04%	15YR Fixed	7.12%	+0.02%	9/25/2026

Mortgage Rates Had a Better Day, But Still Moved Higher

have risen more than half a point in 2 weeks. While that's certainly not the fastest jump we've seen, it is an extraordinarily uncommon pace--happening less than once per year on average (i.e. it only happened 3 times between 2010 and 2019).

Today's increase was modest in the bigger picture, adding only 0.04% to yesterday's levels and leaving the average top-tier 30yr fixed rate still just a hair below 7.50%. This is roughly in line with the highs from early 2024 and still well below the highs of 8% seen in October 2023.

Much of today's 0.04% increase can be thought of as a hangover from yesterday's volatility. In fact, the underlying bond market actually **improved** day-over-day. That's something that typically coincides with mortgage rates moving lower.

Whether it means anything about the road ahead is a different matter. If traders knew what the road ahead looked like with any certainty, they wouldn't sit on their hands and lose money between now and then. In other words, anything that you or I can conclude about the near-term future is already priced-in to current levels.

The next leg higher or lower for rates will likely be determined by a combination of economic data that hasn't come out yet and war-related headlines that could either help or hurt the fuel price outlook. Next week is a big week for econ data and every week brings new potential for oil price fluctuations these days. In addition, the month/quarter end trading environment increases the risk of volatility regardless of directional cues from data/events.

Bottom line: all we know today is that bonds suggested a modicum of hope that the rising rate momentum has abated. Now we wait to see if it will reappear next week.

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Friday, Sep 25				
5:15AM	Fed Williams Speech			
8:30AM	Aug Durable goods (%)	0%	-0.4%	1.1%
8:30AM	Aug Core CapEx (%)	1.6%	0.5%	0.2%
9:20AM	Fed Schmid Speech			
10:00AM	Sep Consumer Sentiment (ip)	48.1	47.6	51.7
10:00AM	Sep U Mich conditions	50.9	49.5	51.9
10:00AM	Sep Sentiment: 1y Inflation (%)	4.6%	4.6%	4%
10:00AM	Sep Sentiment: 5y Inflation (%)	3.4%	3.4%	3.3%
2:00PM	Fed Hammack Speech			
Monday, Sep 28				
1:30PM	Fed Barkin Speech			