MARKET SUMMARY

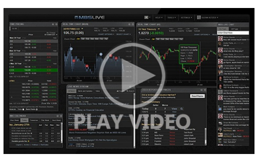
Complete Recap of Today's Market Activity

Now Completely Shunning The Drop in Oil

Market Summary: Tuesday, September 29, 2026 - 4:14PM

Bonds were initially modestly stronger overnight, but mostly sideways in the bigger picture. Right at the 8:20am CME open, bond sellers were clearly waiting in line to sell. This is another small anecdote that potentially suggests month/quarter-end trading is contributing to this week's volatility. It could also be an ongoing defensive stance ahead of this week's high-stakes econ data (this morning's JOLTs being today's most pressing example, coming up at 10am ET). The weakness completely ignored a fairly substantial drop in oil prices. We'll see more about what's what after 10am.

Latest Video Analysis



Bond-Specific Weakness

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EQUAL HOUSING LENDER

MBS & Treasury Markets

UMBS 6.0	97.87	-0.33	10YR	5.276%	+0.036%	9/29/2026 2:09PM EST

Bonds Bounce Back Following Williams Comments

Just a head up for those curious about the mid-day recovery, this is the wire that marked the turning point:

FED'S WILLIAMS - SEES NO NEED FOR URGENCY AFTER SEPTEMBER RATE HIKE

As a reminder, Williams carries more weight than most Fed speakers. This is also a more unique comment relative to other Fed speakers recently. Markets agreed--especially Fed Funds Futures and the short end of the yield curve.

MBS are still weaker on the day, but by less than an eighth now (up roughly 3/8ths from lowest levels).

10yr up only 1.8bps at 5.257

ALERT: Additional Negative Reprice Risk

ALERT: Down Sharply From AM Highs

Today's Mortgage Rates

30YR Fixed	7.58%	+0.08%	15YR Fixed	7.20%	+0.08%	9/29/2026

Mortgage Rates Rise to 7.58%

moved higher again on Tuesday as the bond market continues recalibrating expectations for Fed policy, economic growth, and inflation. The weakness is especially frustrating considering a fairly large drop in oil prices today, but as we discussed yesterday, rates have a lot more on their mind than oil these days.

Our top-tier 30yr fixed rate index rose from 7.50 to 7.58% today--the highest since November 1st, 2023. In this sense, mortgage rates are doing much better than their often-cited benchmark, the 10yr Treasury yield, which is the highest level since 2007. That's because mortgage rates are directly based on mortgage-backed securities (MBS) and not U.S. Treasuries, and MBS have been outperforming Treasuries relative to 2023's levels.

Today's economic data didn't offer meaningful relief although it wasn't a driver of today's upward pressure. We're seeing more and more evidence that at least some of that pressure has to do with factors such as the quarter-end trading environment which transcends news headlines and economic reports. This doesn't necessarily mean that rate momentum will reverse on October 1st, but the month could at least restore a more logical relationship between typical causes and effects.

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Tuesday, Sep 29				
9:00AM	Jul FHFA Home Price Index m/m (%)	0.3%	0.1%	0%
9:00AM	Jul FHFA Home Prices y/y (%) ☆	2.6%		2.3%
9:00AM	Jul CaseShiller 20 mm nsa (%)	0%		0.4%
9:00AM	Jul Case Shiller Home Prices-20 y/y (%) ☆	2.5%	2.2%	2.1%
9:20AM	NY Fed Bill Purchases 1 to 4 months (%)		$3.892 billion	
10:00AM	Aug JOLTs Job Quits (ml) ☆	3.066M		3.056M
10:00AM	Aug USA JOLTS Job Openings (ml) ★	7.079M	7.23M	7.271M
10:00AM	Sep CB Consumer Confidence (%) ☆	81.9	89.2	89.4
11:30AM	6-Week Bill Auction (%)	3.970%		3.870%
1:00PM	Fed Goolsbee Speech ☆			
1:30PM	Fed Musalem Speech ☆			
2:00PM	Fed Williams Speech ☆			
Wednesday, Sep 30				
7:00AM	Sep/25 MBA Purchase Index			154.9
7:00AM	Sep/25 Mortgage Market Index			227.3
7:00AM	Sep/25 MBA Refi Index			611.0
8:15AM	Sep ADP jobs (k) ☆		70K	38K
8:30AM	Aug PCE prices (m/m) (%) ☆		0.4%	0.2%
8:30AM	Q2 GDP (%) ★		1.5%	2.1%
8:30AM	Q2 Corporate profits (%)		8.2%	0.5%
8:30AM	Aug Core PCE (m/m) (%) ★		0.3%	0.2%
8:30AM	Q2 Core PCE Prices QoQ ☆		3.6%	4.4%
8:30AM	Q2 PCE Prices (Q/Q) ☆		5.3%	4.6%
8:30AM	Aug PCE (y/y) (%) ☆		3.7%	3.7%
8:30AM	Q2 GDP Final Sales (%)		2.2%	1.9%
8:30AM	Aug Core PCE (y/y) (%) ★		3.3%	3.3%
9:45AM	Sep Chicago PMI ☆		51.2	47.1
10:30AM	Sep/25 Crude Oil Inventory (ml)			2.969M
1:30PM	Fed Barkin Speech ☆			
5:10PM	Fed Goolsbee Speech ☆			
6:00PM	Fed Kashkari Speech ☆			