# MARKET SUMMARY

Complete Recap of Today's Market Activity


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## Slightly Stronger Start

**Market Summary:** Tuesday, October 20, 2026 - 12:12PM

The bond market continues to decide who it wants to be in Q4, 2026--the harbinger of inflation concerns, debt issuance and economic growth or a safe haven for cash being freed up by AI capex deleveraging. We're starting slightly stronger today with the AI deleveraging trade apparently setting the tone. Movement is too modest to demand any rigorous analysis (Nasdaq lower, yields lower), but at least it's green.

### Latest Video Analysis

What's up With Today's Weakness?

### MBS & Treasury Markets

| | | | | | | |
|---|---|---|---|---|---|---|
| UMBS 6.0 | 98.84 | +0.13 | 10YR | 5.111% | -0.024% | 10/20/2026 10:09AM EST |

## MBS More Than an Eighth Off Highs

Treasuries were at their best levels of the day at 10:30am ET, but are now at their worst levels with 10yr yields still down 1.3bps at 5.122.

MBS aren't yet back to the AM lows, but are off the AM highs by roughly 6 ticks (.19).

Lenders who priced at those highs (around 10:30am or shortly after) could technically justify a small negative reprice.

**MBS MORNING:** Slightly Stronger Start

**ALERT:** Reprice Risk Increasing Slightly

## Today's Mortgage Rates

| 30YR Fixed | 7.40% | -0.03% | 15YR Fixed | 7.05% | -0.02% | 10/20/2026 |
|---|---|---|---|---|---|---|

## Mortgage Rates Start Week Higher

were moderately higher to start the new week, adding to the modest losses seen on Friday. The silver lining is that any of the past 3 business days saw the lowest rates since September 23rd.

There were no clear reasons for today's rate movement in terms of economic reports or news headlines. The same was true for last week's biggest swings which were driven by broad bond market sentiment as traders sought safer havens due to concerns about a pull-back in the tech sector.

On that note, tech stocks had their best day in several weeks today with much of the improvement already intact by the time the domestic trading session began. As the week progresses, that same "broad market sentiment" could continue to be a driving force because there aren't any big ticket events on the economic calendar.

In nuts and bolts terms, the average top tier 30yr fixed rate is back up to 7.43%, 0.06% higher than Friday's latest levels and 0.10% higher than Thursday's low of 7.33.

[thirtyyearmortgagerates]

## Economic Calendar

Last Week | This Week | Next Week

| Time | Event | Actual | Forecast | Prior |
|---|---|---|---|---|
| **Tuesday, Oct 20** | | | | |
| 8:15AM | ADP Employment Change Weekly | 18.5K | | 24.75K |
| 8:30AM | Sep Building Permits (ml) | 1.4M | 1.39M | 1.403M |
| 8:30AM | Sep Housing starts number mm (ml) | 1.221M | 1.30M | 1.275M |
| 10:00AM | Sep Pending Home Sales (%) | -7.3% | -0.5% | 0.3% |
| **Wednesday, Oct 21** | | | | |
| 7:00AM | Oct/16 Mortgage Market Index | | | 199.2 |
| 7:00AM | Oct/16 MBA Refi Index | | | 513.5 |
| 7:00AM | Oct/16 MBA Purchase Index | | | 139.3 |
| 10:30AM | Oct/16 Crude Oil Inventory (ml) | | -0.3M | -8.557M |
| 1:00PM | 20-Yr Bond Auction (bl) | 13 | | |