

MARKET SUMMARY

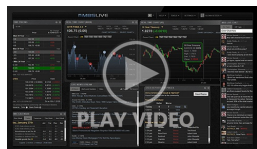
Complete Recap of Today's Market Activity

Waiting For Whatever's Next

Market Summary: Wednesday, October 21, 2026 - 2:40PM

We find ourselves in a bit of a lull in the bond market this week, and we don't object! Yields aren't screaming back up toward recent highs. Nor are they extending last week's swift rally. Both would cause problems for different reasons. Consolidating last week's rally in this narrow, sideways pattern is arguably the very best thing that could have happened this week. Whatever happens next is likely to be driven by a combination of the evolving narrative on tech sector concerns, econ data, and the Fed policy stance (which is really just a function of the econ data). In general, it is the tech sector narrative that has kept us in this week's lull. There too, investors are waiting for whatever's next.

Latest Video Analysis



Tech Concerns Keeping Bonds in The Game



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MBS & Treasury Markets

UMBS 6.0	98.92	+0.06	10YR	5.110%	-0.002%	10/21/2026 12:34PM EST
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MBS Down More Than an Eighth From Highs

MBS are still technically up 1 tick (.03) on the day, but they're down 5 ticks (.16) from the AM highs. Unfortunately, those highs coincided with many early lenders' rate sheet print times. As such, reprices are already a consideration for the jumpy crowd.

MBS MORNING: Waiting For Whatever's Next

ALERT: MBS More Than an Eighth Off Highs

Today's Mortgage Rates

30YR Fixed	7.38%	-0.02%	15YR Fixed	7.03%	-0.02%	10/21/2026
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Mortgage Rates Move Slightly Lower

dropped 0.03% today on average leaving the top-tier 30yr fixed rate index at 7.40% vs 7.43% yesterday--the third lowest level in more than 3 weeks.

As has been and continues to be the case, the lower rates seen since last Wednesday are primarily being driven by concerns about deleveraging and potential contagion in the AI sector. One of the most closely-watched bellwethers has been Coreweave where a sharp decline in stock prices and sharp increase in corporate bond yields has broadly mirrored recent moves in .

Some of today's intraday volatility can also be viewed in the context of oil prices and war-related headlines, but we'd caution against placing too much emphasis on the oil price correlation. It's been highly unreliable for more than a month.

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Wednesday, Oct 21				
7:00AM	Oct/16 Mortgage Market Index	188.6		199.2
7:00AM	Oct/16 MBA Refi Index	503.1		513.5
7:00AM	Oct/16 MBA Purchase Index	129.2		139.3
10:30AM	Oct/16 Crude Oil Inventory (ml)	-3.061M	-0.8M	-8.557M
1:00PM	20-Yr Bond Auction (bl)	13		
Thursday, Oct 22				
8:30AM	Oct/17 Jobless Claims (k) ☆		200K	199K
8:30AM	Oct/10 Continued Claims (k) ☆		1720K	1710K
10:00AM	Sep CB Leading Index MoM (%)		-0.1%	-0.1%
1:00PM	5-Yr Note Auction (bl) ★		26	