MARKET SUMMARY

Complete Recap of Today's Market Activity

Boring, Sideways Day. Does Wednesday's Fed Announcement Even Matter?

Market Summary: Tuesday, October 27, 2026 - 11:21PM

Neocloud concerns continued to experience a small correction/consolidation after last week's surge. Interest rates could have justified a bit of weakness as a result, but managed to hold fairly steady. Bond market indecision likely has more to do with that and less to do with any sort of Fed Day anticipation. Markets have almost fully priced in a "pause." Any Fed-induced volatility would thus be dependent on verbiage--either in the announcement itself or the 2:30pm ET press conference. This is one of those Fed meetings that could be entirely forgettable, but post-press-conference volatility should never be ruled out as a risk--even on seemingly low consequence Fed days.

Robert Shamie

Fidelity Residential

https://fidresi.com

P: (732) 686-9999 x101

M: (732) 859-2400

Latest Video Analysis

Does The Fed Announcement Even Matter?

MBS & Treasury Markets

UMBS 6.0	99.44	-0.01	10YR	4.999%	+0.001%	10/27/2026 9:19PM EST

Mostly Consolidating Ahead of Fed. Some Pressure From Neocloud Bounce

"Neocloud" has entered the commentary. This is shorthand for the market segment in which Coreweave operates. Neocloud companies have been the epicenter of recent concerns in tech that have helped fuel the mid October bond rally. Their negative momentum leveled off last Thursday--the same time bond yields bottomed. Neocloud stocks are up sharply this morning and their bond yields are falling. Coreweave yields are back to last Wednesday's levels (though still hugely elevated from early October levels). The consolidation mirrors the bond market over the past several sessions, although this morning's Durable Goods data made for a slight bump in yields. Wednesday's Fed announcement is likely the next major scheduled event that could serve as the jumping-off point for the next phase of momentum.

MBS MORNING: Slightly Stronger Start, But Generally Sideways and "Waiting"

UPDATE: Down Just Over an Eighth From Highs

Today's Mortgage Rates

30YR Fixed	7.33%	+0.00%	15YR Fixed	7.01%	+0.02%	10/27/2026

Mortgage Rates Hold Steady Yet Again

It was a remarkably calm day for the mortgage market on two separate levels. First off, the average lender set this morning's rates right in line with yesterday's latest levels. Additionally, there were very few intraday changes (and in those cases, rates improved modestly).

[thirtyyearmortgagerates]

All of the above is made possible by the fact that the bond market stayed right in line with yesterday's levels all day long. This has happened for two straight days now, and it's the sort of stability that seemed like a distant memory several weeks ago.

Will it last?

There's never any way to know for sure. The bond/rate market is constantly at risk of responding to several sources of motivation. It just so happens that those sources have been silent after last week's improvement.

It's worth noting that there's a new Fed rate announcement tomorrow. Fed announcements often create volatility for rates and that volatility is rarely related to whether the Fed hikes/cuts/holds steady. In tomorrow's case, we already have a high degree of certainty that the Fed will not be hiking rates. Any impact the Fed has on would be a factor of the words they use in the policy statement or the words spoken by Fed Chair Warsh in the 2:30pm ET press conference.

Beyond the Fed, there are still other potential considerations for rates (tech sector volatility, war-related headlines), but never any guarantee that they'll adhere to a certain timeline.

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Tuesday, Oct 27				
8:15AM	ADP Employment Change Weekly	16.8K		18.5K
8:30AM	Sep Durable goods (%)	1.8%	1.5%	0%
8:30AM	Sep Core Durable Goods (%)	0.5%	0.7%	1.6%
9:00AM	Aug FHFA Home Price Index m/m (%)	0.3%	0.2%	0.3%
9:00AM	Aug FHFA Home Prices y/y (%)	2.4%		2.6%
9:00AM	Aug CaseShiller 20 mm nsa (%)	-0.4%		0%
9:00AM	Aug Case Shiller Home Prices-20 y/y (%)	2.7%	2.5%	2.5%
10:00AM	Oct Consumer Confidence (%)	91.7	81	81.9
10:00AM	Sep New Home Sales (ml)	0.676M	0.65M	0.684M
1:00PM	5-Year Note Auction	4.845%		5.033%
Wednesday, Oct 28				
7:00AM	Oct/23 Mortgage Market Index			188.6
7:00AM	Oct/23 MBA Purchase Index			129.2
7:00AM	Oct/23 MBA Refi Index			503.1
10:30AM	Oct/23 Crude Oil Inventory (ml)		0.8M	-3.061M
11:30AM	2-Year FRN Auction (%)		0.040%	0.040%
2:00PM	Fed Interest Rate Decision		4.0%	4%
2:00PM	FOMC Statement			
2:30PM	Fed Press Conference			