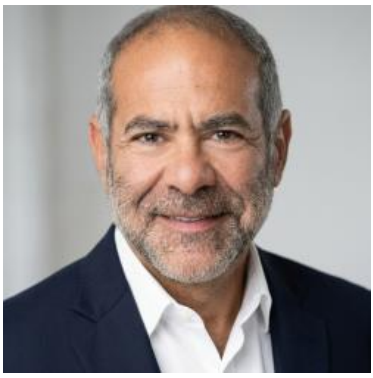
MARKET SUMMARY

Complete Recap of Today's Market Activity

Bonds Almost Able to Break Even Thanks to Tech Turmoil

Market Summary: Monday, November 2, 2026 - 9:23AM

Tech stocks embarked on a wild ride starting with earnings releases after the bell yesterday. While today's recap title mentions "breaking even," if we were to measure today's bond market movement versus yesterday's 3pm ET levels, 10yr yields are more than 5bps lower. In other words, those earnings releases created a big late-day rally yesterday and today became largely about trying to hold onto the gains. By mid-day, bonds were a bit weaker with 10yr yields approaching 4.96%. Around 1240pm, news broke regarding Anthropic being unlikely to receive an "investment grade" rating after its IPO. This pushed the NASDAQ even deeper into negative territory and helped bonds make it most of the way back to "unchanged" by 3pm.



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Bonds Almost Able to Break Even Thanks to Tech

MBS & Treasury Markets

UMBS 6.0	99.79	-0.03	10YR	4.919%	-0.011%	11/2/2026 7:19AM EST

Quick Recovery After Anthropic Headlines

FT is reporting Anthropic may not receive an "investment grade" rating after its forthcoming IPO. This would make AI-related financing more expensive and generally contribute to the "tech jitters" that have helped Treasuries/MBS over the past few weeks.

MBS instantly erased most of the losses on the news. 6.0 coupons are now down only 1 tick (.03) versus 4 ticks (.125) before the news. 10yr yields are up 1bp at 4.933, but down more than 2bps since the news came out.

ALERT: Weakest Levels

MBS MORNING: Bond Yields Not Eager to Follow Stocks Lower

Today's Mortgage Rates

30YR Fixed	7.27%	-0.02%	15YR Fixed	6.92%	-0.03%

10/30/2026

Mortgage Rates End Week at Lows

The rate market continues taking cues from turmoil in the tech sector. That resulted in the lowest rates in more than a month today as tech stocks slide to their lowest levels since July.

The biggest shift for the underlying bond market (bonds dictate rates) came just before 1pm on reports that Anthropic's post IPO credit rating was not likely to be "investment grade." That matters because it means Anthropic would face higher borrowing costs.

Given the company's key role in driving the AI buildout, there are two implications that helped bonds/rates today. First, higher borrowing costs mean lower potential debt issuance, and that issuance has been a key factor in pushing higher in 2026. Second, any headwinds for major AI companies suggest potential economic headwinds given the central role AI plays in the current economic growth cycle. In general, lower/slower economic growth is good for rates/bonds, all else equal.

The average mortgage lender added modestly to yesterday's larger improvement, resulting in a top-tier 30yr fixed rate just under 7.30%. This is the lowest level since September 23rd, 2026.

Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Monday, Nov 02				
9:45AM	Oct S&P Global Manuf. PMI ☆	54.9	56	55.9
10:00AM	Oct ISM Manufacturing Employment			52.7
10:00AM	Oct ISM Mfg Prices Paid ★		77	77.9
10:00AM	Oct ISM Manufacturing PMI ★★		54.6	54.5
10:00AM	Sep Construction spending (%)		0.4%	0.9%
2:00PM	Loan Officer Survey			
Tuesday, Nov 03				
10:00AM	Sep USA JOLTS Job Openings (ml) ★		7.13M	7.079M
10:00AM	Sep JOLTs Job Quits (ml) ☆			3.066M
10:00AM	Sep Factory orders mm (%)		1.2%	0.1%
10:00AM	Nov IBD economic optimism		46.2	46.8
11:30AM	6-Week Bill Auction (%)			3.950%
2:00PM	Oct Total Vehicle Sales (ml)		15.9M	16M