

**Rich E. Blanchard**
Managing Director, RICH Home Loans LLC
NMLS: 492461
1550 Wewatta St., 2nd Floor Denver, CO 80202

Office: 720.619.9900
Mobile: 303.328.7047
richblanchard@richhomeloans.com
View My Website

# The Week Ahead: Labor Day Week, With One Small Exception

Normally, weaker readings on nonfarm payrolls result in bond market gains. While that was initially true on Friday, in less than 30 minutes, bonds were vaulting to the weakest levels of the day. They remained near the top end of the recent range for the rest of the day. **What's up with that?!**




We know that traders were disproportionately "long" in 10yr futures as of Tuesday, based on Friday's Commitment of Traders report. That means they were betting on rates moving lower. If those traders were to **close** those positions, it would result in exactly the sort of sell-off we saw. Furthermore, if those traders were going to close those positions ahead of a 3-day holiday weekend, that would have been the time of day to do it.

With all of that in mind, the **most optimistic hope** is that Friday's sell-off was simply a closing of positions among those traders who were long Treasuries. But there's a pessimistic way to look at things as well. Specifically, notice that Friday's gains were only able to match the previous low yields in the 1.55+ zone. This zone served as a sort of floor of resistance for the entire week. But why would bonds bounce off a resistance floor after a weak NFP?

## MBS and Treasury

| | Price / Yield | Change |
|---|---|---|
| MBS UMBS 6.0 | 99.43 | -0.62 |
| 10 YR Treasury | 4.9860 | +0.0952 |
| 30 YR Treasury | 5.3557 | +0.0737 |

Pricing as of: 11/10 5:59PM EST




## Average Mortgage Rates

| | Rate | Change | Points |
|---|---|---|---|
| **Mortgage News Daily** | | | |
| 30YR Fixed | 7.30% | +0.12 | 0.00 |
| 15YR Fixed | 6.92% | +0.09 | 0.00 |
| 30YR FHA | 6.89% | +0.07 | 0.00 |
| 30YR Jumbo | 7.40% | +0.03 | 0.00 |
| 7/6 SOFR | 6.80% | +0.31 | 0.00 |
| 30YR VA | 6.90% | +0.07 | 0.00 |

Rates as of: 11/10

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

**Read or subscribe** to my newsletter online at: http://housingnewsletters.com/richhomeloans

The answer could be **depressingly simple:** perhaps NFP was seen as "not weak enough" to materially change the Fed's rate hike outlook. While I don't think a strong NFP could have confirmed a rate hike, an exceptionally weak NFP could have precluded it, and this NFP definitely wasn't weak enough to do that. After all, just 2 weeks prior, the Fed's own Lockhart said that payrolls in the 150k neighborhood would be encouraging for the economy.

The focus this week will be on **Thursday's announcement from the European Central Bank.** Other than that, this week is really just an unofficial "Labor Day Week," without any significant data or events on tap.

Subscribe to my newsletter online at: http://housingnewsletters.com/richhomeloans


## Expert Advice | Exceptional Service | Flawless Execution

With 27+ years of expertise in mortgage banking you can be confident in my knowledge and abilities to deliver a seamless loan transaction while providing personalized service.

**Rich E. Blanchard** 


© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

**Read or subscribe** to my newsletter online at: http://housingnewsletters.com/richhomeloans