

**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 Day Ahead: When Will Bond Market Luck Run Out?

Bond markets continue **defying the odds** so far in 2016, with another strong performance in the overnight session (although things may be leveling off this morning). In general, we've seen one of two things. This is probably a classic "flight-to-safety" based primarily on concerns relating to China. It could also be a mere byproduct of the new year's tradeflows. It doesn't have to be "either/or" though, and most likely it's a combination of the two.

Whatever the case, there's no denying the **massive losses** in Chinese equities markets so far this year, or the fact that they've been dragging down other equities markets around the world. As investors panic (relatively), Treasuries have gotten a boost, but as you can see in the chart below, it's not nearly commensurate with the movement in other markets.




Given the Fed rate hike and strong ADP data yesterday--among other reasonably decent economic anecdotes--we would be **more justified** in expecting bonds to be under pressure at the start of the year. So the modest gains are a pleasant surprise.

This hearkens back to August 2015 when China-related panic was an even bigger issue. It presented a **few good days of opportunity**, ending in a massive bounce as soon as China's freefall was arrested. As such, we should stay vigilant about a similar bounce this time around.

## 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

Oh, and NFP is tomorrow too. That brings up the question of the day: are markets more interested in trading the bigger picture concerns or will NFP have its normal amount of market moving power? There's no way to know until we see how the market trades it. The reaction has the potential to tell us a lot about investor sentiment. Either way, for now, it's **too soon** to view the past few days as anything other than a gift that isn't guaranteed to stick around.

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