

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: Car Dealership Analogy for Bond Market Supply

- Corporate issuance expected to continue
- Treasury Auction cycle in full swing with 10's today and 30's tomorrow
- Overseas auctions add to global supply
- Bottom line: lots of debt inventory for sale right now = implicit price pressure

Negative connotations aside, imagine a car dealership that periodically receives shipments of its best-selling models. Car buyers know there will be **more inventory** available when the scheduled shipment comes in, and thus the demand can suffer heading in to the arrival of the fresh supply of vehicles.

Now imagine the same dealership **also** periodically gets shipments of more **specialized vehicles** that may or may not appeal to the buyers of the 'best-selling' models mentioned about. What do you suppose would happen if there was a massive glut of special vehicles on the same week that the popular vehicles had a scheduled delivery? And to make matters more interesting, let's say there are other dealerships out there that are also getting a bit more inventory than normal.

Prices might move lower, right? It's **economics 101**, for the most part: all other things being equal, increased supply = decreased prices. Put even more simply if car buyers pay $x/car on average, raising the supply of cars does something like this: $x/2cars. The more we increase that denominator, the lower the price per car goes.

This is a gross oversimplification of the current bond market supply situation. Bonds continue facing increased supply, both of the regularly-scheduled models (Treasuries) and the "special" models (corporate bonds). The "other dealerships" in this analogy refers to the **overseas debt** that's also being issued this week.

Bottom line, there's just a ton of inventory for bond buyers to sift through, and it's no surprise that bonds have had a tough time moving into stronger territory because of that inventory glut. In fact, if anything, it's surprising that we haven't seen more weakness this week

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

So is there some **magical, behind-the-scenes increase** in bond-buying demand that's helping rates stay lower than they should be? My thinking is that we'll know if that's the case as soon as bonds break through the short term technical floor that's popped up at 1.75. Ideally, we'd want to see a move through 1.72 to confirm that, but in any event, we may not be able to find out until after the auction cycle.



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