Calibrate | Focus | Execute

Market Conditions

November 20, 2025

MBS	Current Price	Change	OAS Dur	OAS Yld	Vol
FNMA30 5.5 DEC	100 28/32	+4/32	6.19	5.29%	3.68
FNMA15 5.0 DEC	101 2/32	+5/32	4.55	4.74%	2.70
GNMAII30 5.5 DEC	100 22/32	+4/32	5.04	5.34%	3.00

Treasuries	Current Price	Change	Dur	Yld	Vol
5yr Treasury	99 25/32	+6/32	4.54	3.69	3.04
10yr Treasury	99 6/32	+11/32	8.15	4.12	5.03
30yr Treasury	98 15/32	+18/32	16.59	4.74	9.95

Stocks	Current Price	% Change	Commodities	Current Price	Change
Dow	46,441.16	+0.65%	Dollar	100.11	-0.12%
S&P 500	6,694.62	+0.79%	Gold	$4,076.01	-0.22%
Nasdaq	22,780.44	+0.99%	Crude Oil	$59.97	+0.89%

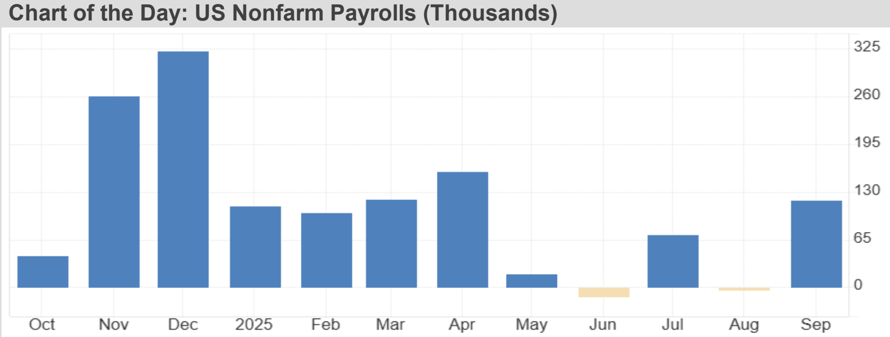
Economic Commentary

MBS prices are up about 4/32 this morning while the DOW is up about 400 points as Nvidia earnings helped rekindle faith in the AI trade, and rate-cut hopes brightened after the release of the long-awaited September jobs report. The employment report, which is certainly a lagging indicator this time, suggested the labor market was not falling apart in September. In fact, nonfarm payroll gains accelerated to 119,000 after declining by 4,000 in August. But the US unemployment rate rose to 4.4%, up from 4.3% in August. Economists had expected the rate to remain unchanged from the previous month. This wasn't an abjectly strong report, nor was it an abjectly weak report. We wouldn't call it "just right" either, not with the uptick in the unemployment rate and the stalling out of average weekly hours worked, but the key takeaway is that this report wouldn't be enough to convince the more hawkish-minded Fed officials to cut rates in December. Following the report, options traders were pricing in around 42% odds of a rate cut at the Fed's next meeting in December, compared with 28% earlier in the morning and 30% the previous day, per CME Group. Initial jobless claims for the week ending November 15 decreased by 8,000 to a lowly 220,000. Continuing jobless claims for the week ending November 8 increased by 28,000 to a not-so-lowly 1.974 million, which is the highest since November 6, 2021. The key takeaway from the report is that it corroborates the low firing, low hiring narrative hanging over the labor market. Existing home sales increased 1.2% month-over-month in October to a seasonally adjusted annual rate of 4.10 million (Briefing.com consensus 4.1 million) from a downwardly revised 4.05 million (from 4.06 million) in September. Sales were up 1.7% on a year-over-year basis. The key takeaway from the report is that home sales in October were aided by lower mortgage rates, yet limited inventory in some regions, combined with high prices in others, got in the way of stronger selling activity.

Economic Calendar

	PERIOD	ACTUAL	FORECAST	PREVIOUS
THURSDAY, NOV 20				
U.S. employment report (delayed report)	Sept.	119,000	50,000	22,000
U.S. unemployment rate (delayed report)	Sept.	4.40%	4.30%	4.30%
U.S. hourly wages	Sept.	0.20%	0.30%	0.40%
Hourly wages year over year	2024-2025	3.80%	3.70%	3.80%
Initial jobless claims	Nov. 15	220,000	227,000	232000.00
Existing home sales	Oct.	4.1 million	4.1 million	4.05 million
*U.S. leading economic indicators	Oct.	Delayed	-0.30%	NA
Philadelphia Fed manufacturing survey	Nov.	-1.7	-3.1	-12.80
FRIDAY, NOV. 21				
S&P flash U.S. services PMI	Nov.	Waiting for Results	54.50	54.80
S&P flash U.S. manufacturing PMI	Nov.	Waiting for Results	52.00	52.50
Consumer sentiment (final)	Nov.	Waiting for Results	51.00	50.30
Wholesale inventories (delayed report)	Aug.	Waiting for Results	--	0.10%
MONDAY, NOV. 24				
None scheduled				
TUESDAY, NOV. 25				
U.S. retail sales (delayed report)	Sept.	Waiting for Results	--	0.60%
Case-Shiller home price index (20 cities)	Sept.	Waiting for Results	--	1.60%
Business inventories (delayed report)	Sept.	Waiting for Results	--	0.20%
Consumer confidence	Nov.	Waiting for Results	--	94.60
Pending home sales	Oct.	Waiting for Results	--	-1%
WEDNESDAY, NOV. 26				
Initial jobless claims	Nov. 22	Waiting for Results	--	NA
*GDP (first revision)	Q3	Waiting for Results	--	NA
*Advanced U.S. trade balance in goods	Oct.	Waiting for Results	--	NA
*Advanced retail inventories	Oct.	Waiting for Results	--	NA
*Advanced wholesale inventories	Oct.	Waiting for Results	--	NA
Durable-goods orders (delayed report)	Sept.	Waiting for Results	--	2.90%
Durable-goods minus transportation (delayed re	Sept.	Waiting for Results	--	0.40%
*Personal income	Oct.	Waiting for Results	--	NA
*Personal spending	Oct.	Waiting for Results	--	NA
*PCE index	Oct.	Waiting for Results	--	NA
*PCE (year-over-year)	2024-2025	Waiting for Results	--	NA
*Core PCE index	Oct.	Waiting for Results	--	NA
*Core PCE (year-over-year)	2024-2025	Waiting for Results	--	NA

Chart of the Day: US Nonfarm Payrolls (Thousands)



Mortgage Capital Management, Inc. | 858-483-4404 | info@mortcap.com | mortcap.com

Sources: Bloomberg, Reuters, MarketWatch.com, edwardjones.com, advisorperspectives.com, taintedalpha.com, options express, yahoo finance, estimize.com, stockcharts.com, tradingeconomics.com, investing.com