



Calibrate | Focus | Execute

## Market Conditions

May 5, 2026

MBS	Current Price	Change	OAS Dur	OAS Yld	Vol
FNMA30 5.5 MAY	100 13/32	+4/32	7.38	5.20%	4.62
FNMA15 5.0 MAY	100 17/32	-1/32	4.49	4.81%	2.85
GNMAI30 5.5 MAY	100 20/32	+4/32	7.08	5.12%	4.44

Treasuries	Current Price	Change	Dur	Yld	Vol
5yr Treasury	99 4/32	+2/32	4.48	4.05	3.17
10yr Treasury	97 22/32	+6/32	7.82	4.41	5.15
30yr Treasury	96 9/32	+13/32	15.16	4.99	9.71

Stocks	Current Price	% Change	Commodities	Current Price	Change
Dow	49,256.25	+0.64%	Dollar	98.41	+0.04%
S&P 500	7,261.77	+0.86%	Gold	\$4,570.70	+0.83%
Nasdaq	25,318.01	+0.99%	Crude Oil	\$101.61	-4.52%

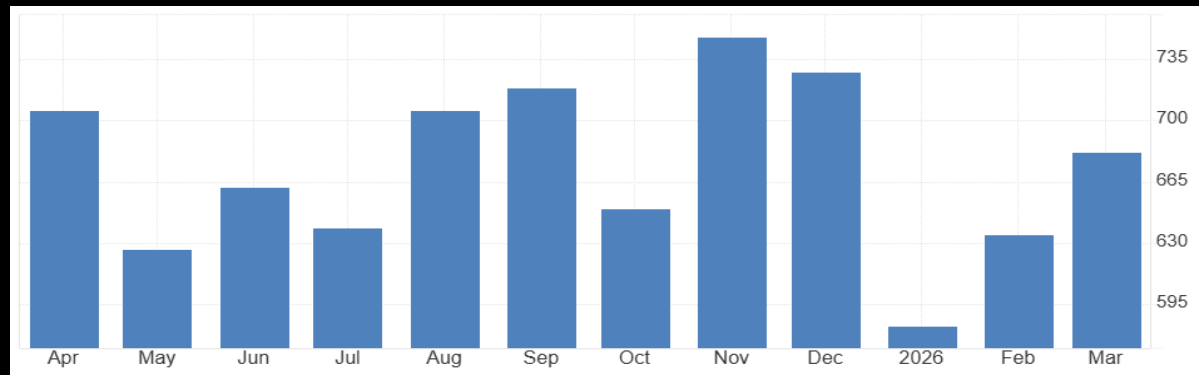
### Economic Commentary

MBS prices are up about 4/32 this morning while the DOW is up about 310 points as wary markets monitored a fragile US-Iran ceasefire and assessed the latest rush of earnings. There is also a bevy of economic reports this morning. The March trade deficit widened to \$60.3 billion, as expected, from a downwardly revised \$57.8 billion (from -\$57.3 billion) in February. The widening was the result of exports increasing \$6.2 billion more than February exports and imports increasing \$8.7 billion more than February imports. The key takeaway from the report is that it has yet to fully capture the pickup in crude oil exports from the U.S. that has been driven by the Strait of Hormuz blockade. That pickup should be considerably higher in the next report and a boon for Q2 GDP growth forecasts. The ISM Services PMI dipped to 53.6% in April (Briefing.com consensus: 53.9%) from 54.0% in March. The dividing line between expansion and contraction is 50.0%, so the April reading reflects services sector activity growing at a slightly slower pace than the prior month. The key takeaway from the report is that there was no real change in the key trends for the services sector, which include a modest expansion, contracting employment, and increasing prices. New home sales increased 7.4% month-over-month in March to a seasonally adjusted annual rate of 682,000 (Briefing.com consensus: 654,000). On a year-over-year basis, new home sales were up 3.3%. The key takeaway from the report is that the bulk of the increase in sales was driven by lower-priced homes, which drove down average selling prices, but at the same time, the median price of a new home also fell. Altogether the pricing indications reflect some improved positioning for buyers.

### Economic Calendar

	PERIOD	ACTUAL	FORECAST	PREVIOUS
<b>TUESDAY, MAY 5</b>				
U.S. trade balance	March	\$60.3B	-\$60.9B	-\$57.8B
Job openings	March	6.87 million	6.8 million	6.92 million
New home sales* (delayed report)	Feb.	635,000	631,000	583,000
New home sales	March	682,000	660,000	635,000
ISM services	April	53.60%	54.30%	54.00%
<b>WEDNESDAY, MAY 6</b>				
ADP employment	April	Waiting for Results	--	62,000
<b>THURSDAY, MAY 7</b>				
Initial jobless claims	2-May	Waiting for Results	--	--
U.S. productivity	Q1	Waiting for Results	--	1.80%
Construction spending* (delayed report)	Feb.	Waiting for Results	--	-0.30%
Construction spending	March	Waiting for Results	--	--
Consumer credit	March	Waiting for Results	--	\$9.5 billion
<b>FRIDAY, MAY 8</b>				
U.S. employment report	April	Waiting for Results	--	178,000
U.S. unemployment rate	April	Waiting for Results	--	4.30%
U.S. hourly wages	April	Waiting for Results	--	0.20%
Hourly wages year over year	2025-2026	Waiting for Results	--	3.50%
Wholesale inventories	March	Waiting for Results	--	0.80%
Consumer sentiment (prelim)	May	Waiting for Results	--	47.60

### Chart of the Day: US New Home Sales (Thousands)



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