THE FEDERAL SAVINGS BANK
Co. NMLS# 411500
Member FDIC

Ted Rood
Branch Manager, Gen Way Home Mortgage
NMLS #543290
O Fallon, Missouri 63368

Office: 3147400004
Mobile: 314-740-0004
ted_rood@yahoo.com

A More Realistic View of Stocks, Oil, and Interest Rates

Interest rates managed to find their footing this week after being pushed higher by last Friday's strong jobs report. That leaves them in the **same sideways range** that has persisted for weeks.

The longer these narrow ranges persist, the more speculation we see on the part of financial media about larger-than-average movements in either direction. All too often, the analysis starts and stops with **Stocks and Oil**.

For instance, if rates happen to move higher somewhat abruptly, financial media is quick to blame stocks and oil, provided that stocks and oil are also moving higher. **Unfortunately**, this relationship is **short-term** at best, and completely **irrelevant** at worst.

Yes, I just said the notion of stocks and oil prices correlating with interest rates could be irrelevant. If that sounds **blasphemous** to you, consider the following 2 charts showing the long term (**lack of**) correlation.



National Average Mortgage Rates



Mortgage News Daily	Rate	Change	Points
30YR Fixed	7.51%	+0.01	0.00
15YR Fixed	7.04%	+0.01	0.00
30YR FHA	7.08%	+0.03	0.00
30YR Jumbo	7.52%	+0.02	0.00
7/6 SOFR	7.12%	-0.01	0.00
30YR VA	7.10%	+0.03	0.00

Rates as of: 11/16

MBS and Treasury

	Price / Yield	Change
MBS UMBS 6.0	98.71	+0.01
10 YR Treasury	5.1266	-0.0076
30 YR Treasury	5.4731	-0.0027

Pricing as of: 11/16 7:21PM EST

Recent Housing Data

		Value	Change
Mortgage Apps	Nov 4	204.6	+6.23%
Building Permits	Sep	1.4M	+0.43%
Housing Starts	Sep	1.22M	-4.24%
New Home Sales	Sep	676K	-1.17%
Pending Home Sales	Aug	71.2	0%
Existing Home Sales	Oct	3.99M	+0.25%
Builder Confidence	Oct	29	-9.38%

© 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://mortgageratesupdate.com/tedrood



If it looks like rates and stocks have moved in exactly the opposite direction since 2009, **it's because they have!** The correlation with oil is slightly more defensible, but still far from relevant in the short term. It's currently receiving extra attention due to the massive drop in 2014, persistent weakness since then, and fear that prices will continue to fall.

Some would argue that low oil prices mean lower inflation (goods cost less to ship), thus preventing the Fed from hiking. Although this is an imperfect conclusion when it comes to short-term cause and effect, it gets us **much closer** to the heart of the matter, because it addresses market movement in the context of the Fed.

Two things and two things only are responsible for the big-picture move lower in rates: **global growth concerns** and the actions taken by **central banks** (like the Fed) to address them. The 10yr bond yields of the countries with the world's biggest and most active central banks tell the story:

© 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://mortgageratesupdate.com/tedrood



It's this big picture correlation--this global race to the lowest rates--that drives the long term trend lower. Short term trends toward higher rates are merely a **necessary byproduct** of the larger-scale downtrend. Sometimes, these moves higher in rates will line up with moves higher in oil and stocks, but it's central banks that will ultimately set the tone.

To that end, we have a bit of a lull between now and the next major dose of information from the Fed. The Jackson Hole symposium coming up at the end of the month is often viewed as a venue for **more candid communication** from the Fed. Markets are waiting to see if Yellen will give any solid clues about a Fed rate hike before the end of the year. The stronger that possibility becomes, the more of a pullback we could see in rates--especially if European and Japanese rates end up taking a break from their recent push to all-time lows.

Housing-Specific News

While some might see it as a **sensational** story with the goal of indirect advertising, there's no question that a Redfin article got people talking this week. The gist is that "lots of people don't pay full pop for real estate commissions." Oh and by the way, Redfin doesn't charge sellers full pop.

Two separate reports came out regarding improvements in **distress/delinquency**--one from CoreLogic and one from the Mortgage Bankers Association.

In separate news, the MBA pointed out a surge in refi apps--**especially for government** loans, and a normal seasonal stall in New Home Sales.

Fannie Mae took a deep dive on examining **millennial homeownership** patterns.

© 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://mortgageratesupdate.com/tedrood

Freddie Mac took a different approach, pointing out the marketing opportunity surrounding **people who actually have homes and money:** good old baby boomers.

Subscribe to my newsletter online at: http://mortgageratesupdate.com/tedrood

Recent Economic Data

Date	Event	Actual	Forecast	Prior
Tuesday, Aug 09				
10:00AM	Jun Wholesale inventories mm (%)	+0.3	0.0	0.0
1:00PM	3-Yr Note Auction (bl)	24		
Wednesday, Aug 10				
12:00AM	Roll Date - Fannie Mae 30YR, Freddie Mac 30YR			
7:00AM	w/e Mortgage Market Index	564.0		526.8
Thursday, Aug 11				
8:30AM	Jul Import prices mm (%)	+0.1	-0.3	0.2
8:30AM	Jul Export prices mm (%)	+0.2	0.0	0.8
8:30AM	w/e Initial Jobless Claims (k)	266	265	269
Friday, Aug 12				
8:30AM	Jul Retail sales mm (%)	0.0	0.4	0.6
Monday, Aug 15				
8:30AM	Aug NY Fed manufacturing	-4.21	2.50	0.55
10:00AM	Aug NAHB housing market indx	60	60	59
Tuesday, Aug 16				
8:30AM	Jul Housing starts number mm (ml)	1.211	1.180	1.189
8:30AM	Jul Core CPI index, sa	247.71		247.50
8:30AM	Jul CPI mm, sa (%)	0.0	0.0	0.2
8:30AM	Jul Building permits: number (ml)	1.152	1.160	1.153
9:15AM	Jul Industrial output mm (%)	+0.7	0.3	0.6
9:15AM	Jul Capacity utilization mm (%)	75.9	75.6	75.4
Wednesday, Aug 17				
12:00AM	Roll Date - Ginnie Mae 30YR			
Thursday, Aug 18				
8:30AM	Aug Philly Fed Business Index	2.0	2.0	-2.9
Wednesday, Oct 12				
1:00PM	10-yr Note Auction (bl)	20		
Thursday, Oct 13				
1:00PM	30-Yr Bond Auction (bl)	12		

Event Importance:

No Stars = Insignificant
☆ Low
★ Moderate
★★ Important
★★ Very Important

© 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://mortgageratesupdate.com/tedrood

Responsive service, experienced expertise

I've dedicated my 26 year mortgage career to client education, superior service, and honest answers. The lending landscape has changed dramatically the past few years, and continues to do so. My job is to ensure client partners' loans close quickly, without surprises, and I take that responsibility very seriously. Referrals are a responsibility I appreciate; they're a measure of trust, and that trust must be earned every day, on every referral.

Ted Rood 

© 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://mortgageratesupdate.com/tedrood