

David Hanks
Broker/Owner, American Broker Services, Inc. dba Quality Choice Funding
NMLS # 352844
2675 Twin Creeks Drive San Ramon, CA 94583

Mobile: 925.382.2502
dave@qualitychoicefunding.com
View My Website

Let's Talk Turkey: Do US Markets Care?

Turkey is the 17th biggest economy in the world in terms of GDP. That's neck and neck with the Netherlands, roughly 20% bigger than Saudi Arabia (the next closest country) and 4 times bigger than Greece. So the fact that Turkey is in the throes of a **debt crisis** is making news.

But is Turkey moving domestic markets or are investors just **gawking** at the imploding Lira (Turkey's currency)?

I mention Greece because it was the last country outside the top 10 biggest economies to unexpectedly cause a stir in US markets. Granted, that was truly a big deal because Greece is part of the Eurozone (for a time, there were concerns the entire EU could unravel). But the Greek debt crisis **reminds** us not to be too cynical when it comes to the potential impact on US markets from drama that seems a world away.

Cynicism is fashionable (and usually a good policy when it comes to watching financial markets), but Turkey definitely had an impact this week. We know this because we could see US Treasury yields (aka "rates") gearing up to respond to Friday's big inflation report (CPI, the consumer price index) before making an unexpected move that **could only be explained** by plummeting Turkish Lira.

A day earlier, Thursday's PPI (producer price index) ticked down just slightly. PPI isn't as highly regarded as a market mover for rates. Investors understand it has been trending higher after bouncing with oil prices, and should eventually level-off. Still, PPI is now high enough to suggest some of those wholesale costs will have to be passed on to consumers. As such, when PPI unexpectedly **dropped**--even if only by a modest amount--markets responded by getting in a slightly more optimistic position for Friday's CPI.

National Average Mortgage Rates



Mortgage News Daily	Rate	Change	Points
30YR Fixed	7.27%	0.00	0.00
15YR Fixed	6.92%	0.00	0.00
30YR FHA	6.91%	+0.01	0.00
30YR Jumbo	7.52%	-0.03	0.00
7/6 SOFR	6.70%	-0.08	0.00
30YR VA	6.92%	+0.01	0.00

Rates as of: 11/2

MBS and Treasury

	Price / Yield	Change
MBS UMBS 6.0	99.79	-0.02
10 YR Treasury	4.9048	-0.0251
30 YR Treasury	5.2895	-0.0187

Pricing as of: 11/2 5:59PM EST

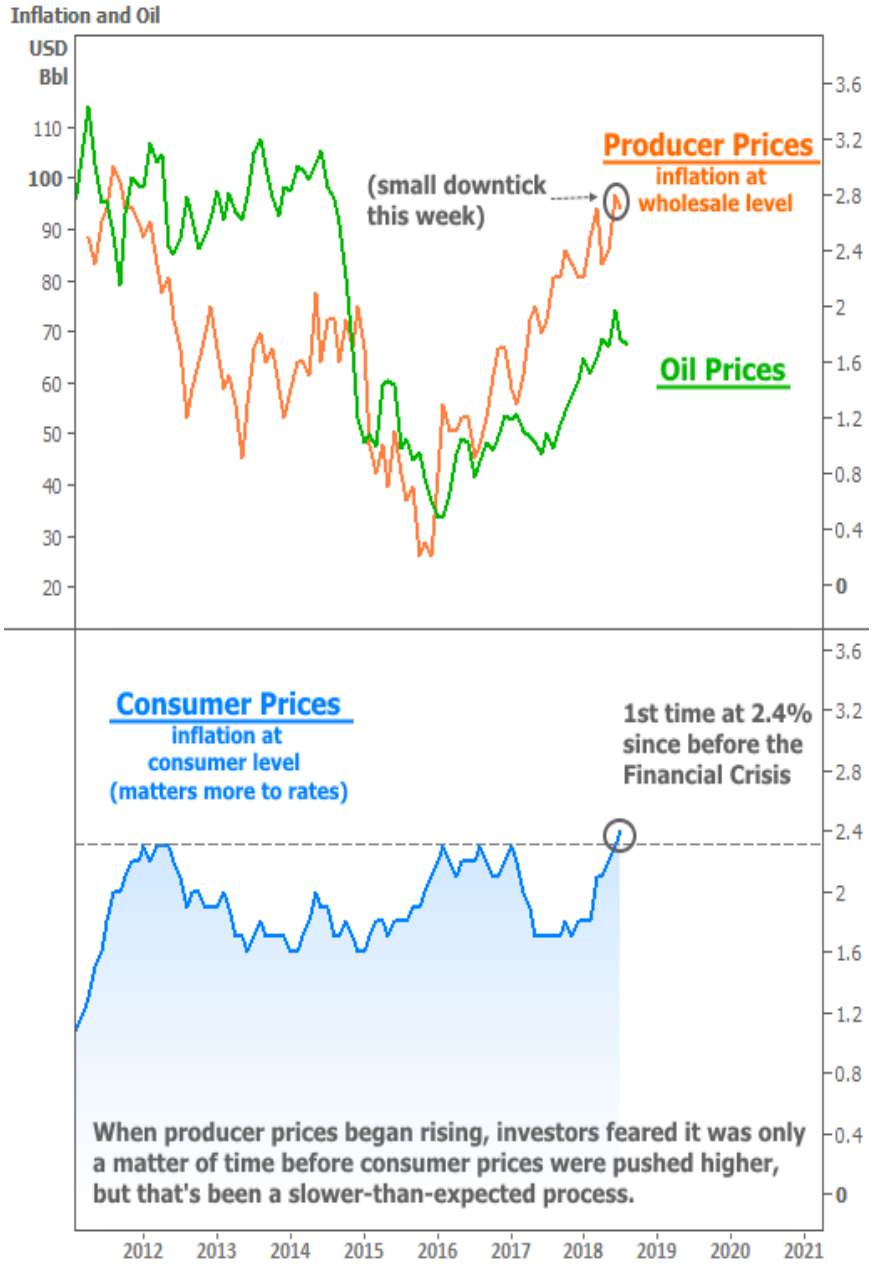
Recent Housing Data

		Value	Change
Mortgage Apps	Oct 21	195	+3.39%
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.

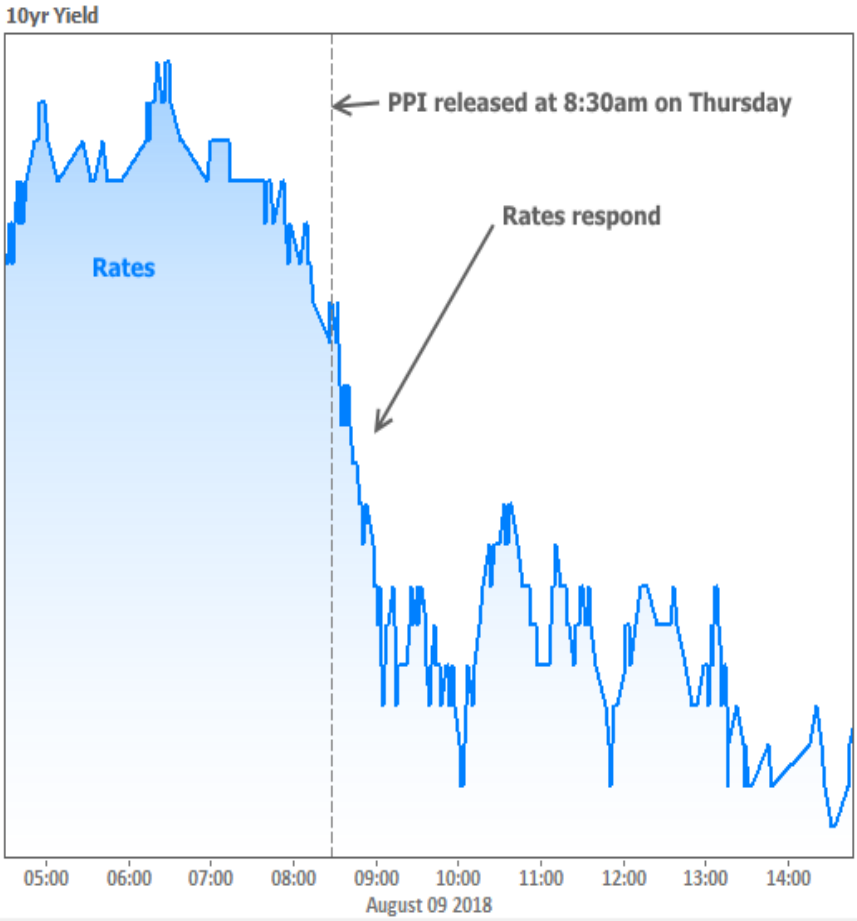
Read or subscribe to my newsletter online at: http://housingmarketweekly.com/david-hanks



© 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://housingmarketweekly.com/david-hanks



Confused yet? Don't be. I'll break it down:

- **Wholesale** inflation (PPI) was lower than expected on Thursday.
- Inflation correlates with rates (discussed in last week's newsletter)
- So rates moved a bit lower on Thursday, hoping to see a similar "lower-than-expected" result in Friday's **consumer**-level inflation data (CPI)
- The consumer inflation data ended up being just a hair **HIGHER** than expected
- Because **inflation correlates with rates**, this suggested that rates should bounce back up--even if only slightly

Rates did, indeed move higher in the first few minutes following **Friday** morning's **consumer** price data, but then they turned around and went lower for the rest of the day. The **only** compelling way to explain the move is by pointing to the Turkish crisis. It was the first time this week that such an explanation really worked.

© 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://housingmarketweekly.com/david-hanks

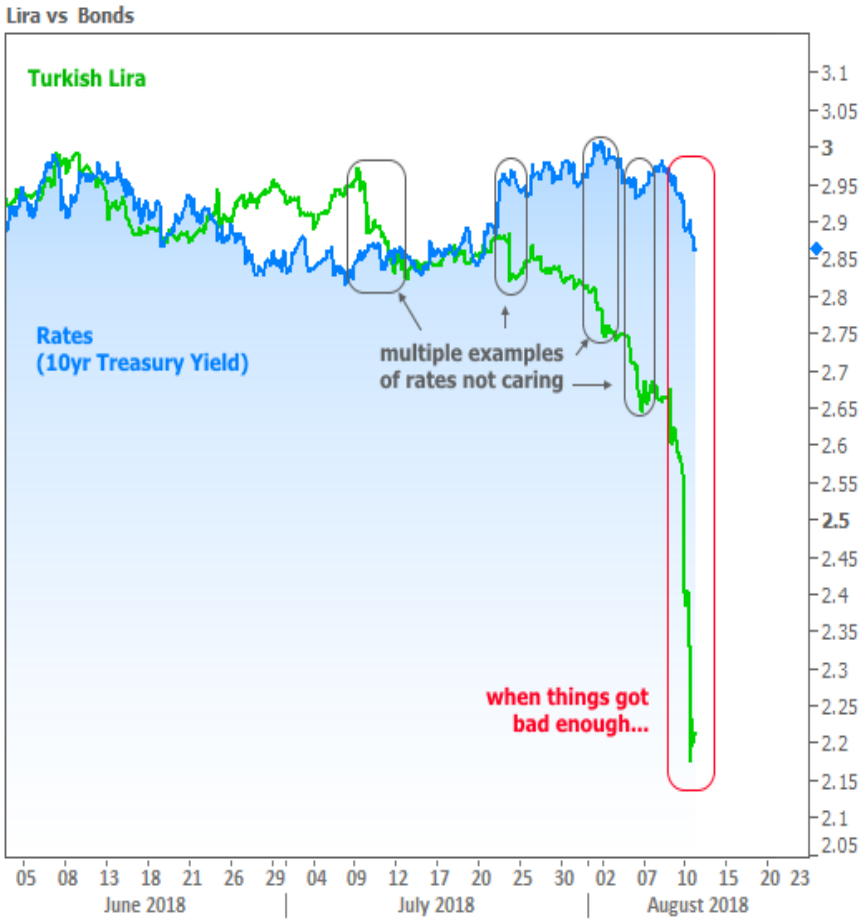


You may wonder why markets suddenly decided to care about Turkey when Mon-Thu saw **so many examples** to the contrary. The reason is fairly logical. Markets always have a list of concerns and potential motivations. Some are clearly in the spotlight and others are lucky to be a sideshow. But even the sideshow market-movers can crank the volume up enough to get the audience's attention. In a nutshell, that's what happened with Turkey on Friday. The following chart will help illustrate how loud the sideshow has gotten. Then, the lower portion will remind us that it's still just a sideshow.

© 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://housingmarketweekly.com/david-hanks





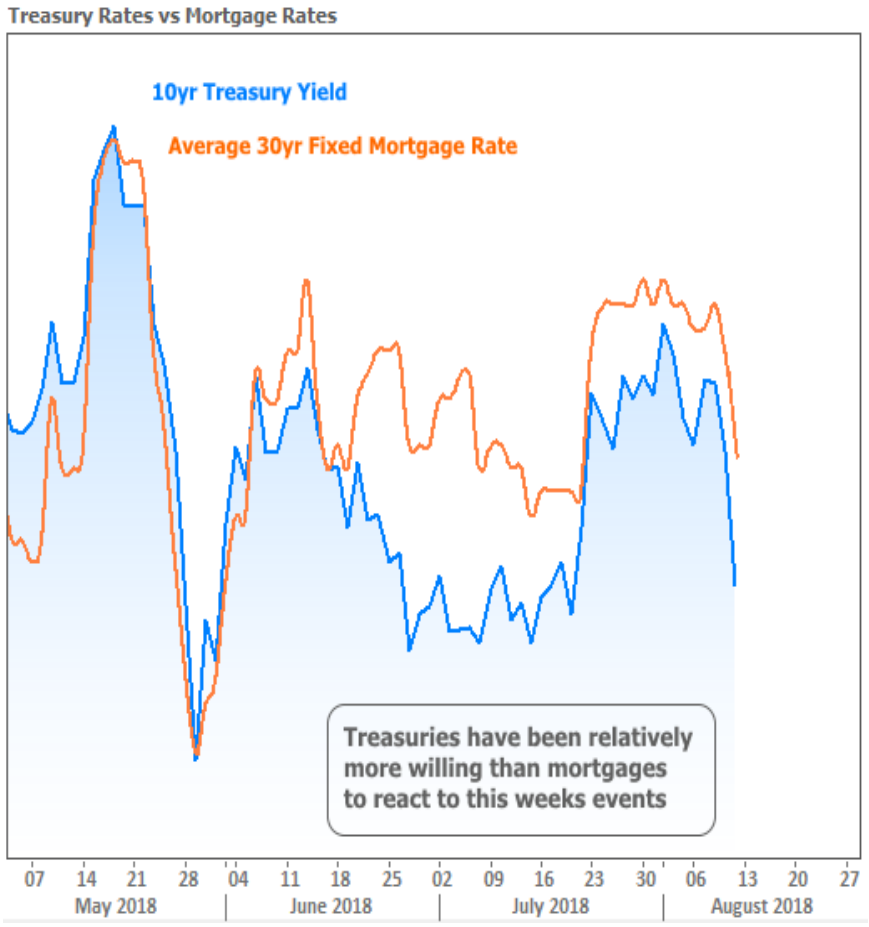
© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

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://housingmarketweekly.com/david-hanks

As is so often the case with these dire situations that are seemingly far removed from US markets, this isn't a black and white issue. You may come across some opinions in the coming days/weeks that credit Turkey for a majority of global market movement. Others may take the opposite stance. The truth is **somewhere in between**, and heavily dependent on how much worse the situation gets before it gets better.

While it's tremendously unlikely to be a game changer in the big picture, it's safe to label the Turkish debt crisis as "moderately helpful" for US interest rates this week. Unfortunately, these sorts of "helpers" (the ones that come from crisis situations abroad), tend to help US Treasuries more than mortgage rates. The following chart shows the relative recent movement.



Next week is fairly calm in terms of scheduled data and events although we will get **several housing-related reports** on Wednesday and Thursday. A smaller slate of potential market movers on the domestic front will leave the door open for Turkish headlines to cause volatility. Just remember that volatility can be for better or worse when it comes to rates. As soon as it looks like Turkey has turned a corner, rates run the risk of adjusting higher moderately, but quickly.

Subscribe to my newsletter online at: http://housingmarketweekly.com/david-hanks

Recent Economic Data

Date	Event	Actual	Forecast	Prior
Tuesday, Aug 07				
1:00PM	3-Yr Note Auction (bl)	34		
Wednesday, Aug 08				

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://housingmarketweekly.com/david-hanks

Date	Event	Actual	Forecast	Prior
7:00AM	w/e MBA Purchase Index	233.1		237.9
7:00AM	w/e Mortgage Refinance Index	927.6		971.3
Thursday, Aug 09				
8:30AM	Jul Producer Prices (%)	0.0	0.2	0.3
8:30AM	Jul Core Producer Prices YY (%)	2.7	2.8	2.8
8:30AM	w/e Jobless Claims (k)	213	220	219
10:00AM	Jun Wholesale inventories mm (%)	0.1	0.0	0.0
10:00AM	Jun Wholesale sales mm (%)	-0.1	0.5	2.5
Friday, Aug 10				
8:30AM	Jul CPI mm, sa (%)	0.2	0.2	0.1
8:30AM	Jul Core CPI Year/Year (%)	2.4	2.3	2.3
Tuesday, Aug 14				
8:30AM	Jul Import prices mm (%)	0.0	0.1	-0.4
8:30AM	Jul Export prices mm (%)	-0.5	0.2	0.3
Wednesday, Aug 15				
7:00AM	w/e Mortgage Refinance Index	927.5		927.6
7:00AM	w/e MBA Purchase Index	225.5		233.1
8:30AM	Jul Retail Sales (%)	0.5	0.1	0.5
8:30AM	Aug NY Fed Manufacturing	25.60	20.00	22.60
8:30AM	Q2 Productivity Preliminary (%)	2.9	2.3	0.4
8:30AM	Q2 Labor Costs Preliminary (%)	-0.9	0.3	2.9
9:15AM	Jul Industrial Production (%)	0.1	0.3	0.6
9:15AM	Jul Capacity Utilization (%)	78.1	78.2	78.0
10:00AM	Aug NAHB housing market indx	67	67	68
Thursday, Aug 16				
8:30AM	Jul House starts mm: change (%)	0.9		-12.3
8:30AM	Jul Building permits: number (ml)	1.311	1.310	1.292
8:30AM	Jul Housing starts number mm (ml)	1.168	1.260	1.173
8:30AM	Aug Philly Fed Business Index	11.9	22.0	25.7
8:30AM	Jul Build permits: change mm (%)	1.5		-0.7
8:30AM	w/e Jobless Claims (k)	212	215	214
Friday, Aug 17				
10:00AM	Aug Consumer Sentiment	95.3	98.0	97.9
10:00AM	Aug 1yr Inflation Outlook (%)	2.9		2.9
10:00AM	Aug 5yr Inflation Outlook (%)	2.5		2.4
10:00AM	Jul Leading index chg mm (%)	0.6	0.4	0.5
Wednesday, Oct 10				
1:00PM	10-yr Note Auction (bl)	23		
Thursday, Oct 11				

© 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://housingmarketweekly.com/david-hanks

Date	Event	Actual	Forecast	Prior
1:00PM	30-Yr Bond Auction (bl)	15		

Listen, Analyze, Solve

David started in the mortgage industry in 2001 and has kept the same philosophy from day one: "Keep the client's best interest at the forefront of every transaction." What works for one client will not necessarily work for the next. David first listens, then evaluates and finally researches options making sure all possibilities have been considered. Once the proper path is determined, David works to make the process as quick and painless as possible, providing excellent service and communicating every step along the way.

David Hanks 

© 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://housingmarketweekly.com/david-hanks