

Baker Market Update

Week In Review

March 27, 2026



Andrea Pringle
Senior Vice President

Geopolitics remained the single biggest force shaping markets this week. The escalating conflict between the U.S. and Iran dominated trading across all asset classes and injected a level of uncertainty that overwhelmed the week's economic data.

Oil markets remained at the center of the storm, with prices surging and retreating as optimism around a potential end to the conflict oscillated alongside political rhetoric. By week's end, Brent crude (a global oil benchmark) had again breached \$110 per barrel and domestic gasoline prices approached \$4 per gallon. The continued volatility in energy prices has strengthened concerns that inflation could remain above target for longer than expected.

That shift in the inflation narrative was quickly reflected in fixed income markets. Treasury yields moved higher over the course of the week, driven by both inflation concerns and weakening demand at government debt auctions.

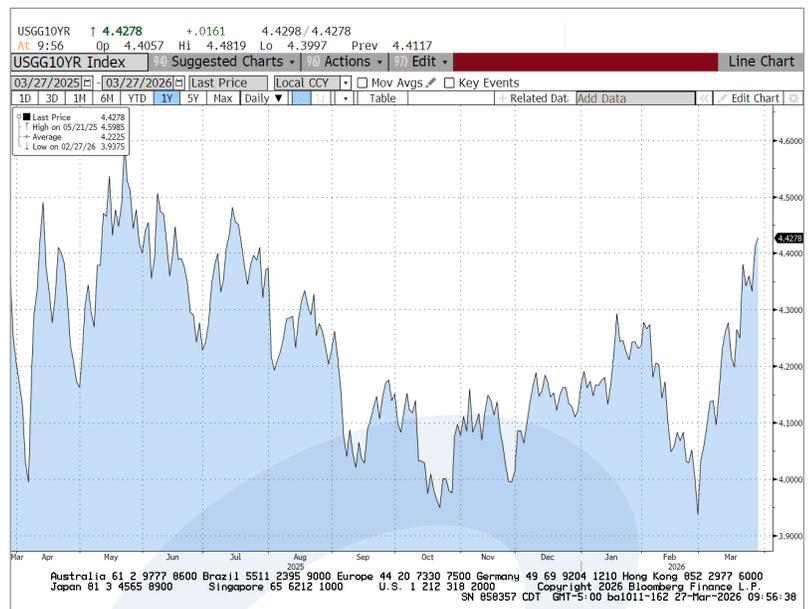
Not only are bonds failing to provide their traditional safe-haven role amid geopolitical unrest, but gold continued to sell off this week as well. In a typical risk-off environment, investors rotate out of riskier assets like equities and into "safe haven" assets such as bonds and gold, which are expected to hold value (or even rally) during periods of stress. However, that playbook has broken down, as inflation concerns push bond and gold prices lower rather than higher.

Adding to market jitters, Wednesday's import price data showed a much larger-than-expected increase in February, even before the onset of the conflict. U.S. import prices rose by the most in four years, reflecting strong gains in food and consumer goods prices.

As of this morning, the benchmark 10-year U.S. Treasury yield has risen to its highest level in eight months. Futures markets are now pricing in no additional Fed rate cuts this year and are flirting with the idea of a rate hike by year-end.

Looking ahead, next week brings a full slate of labor market data, including job openings, ADP employment, initial jobless claims, and the March unemployment report.

Have a great weekend!



UPCOMING EVENTS

Banks

Webinars:

[Q2 Investment](#)

[Strategies](#)

Apr 8, 2026

Seminars:

[IA Seminar](#)

Jun 15, 2026

[IL Seminar](#)

Aug 3, 2026

CUs

Webinars:

[Q2 Strategies](#)

Apr 9, 2026

Banks and CUs

Schools:

[ALM School](#)

Apr 23-24, 2026

Seminars:

[TX Seminar](#)

May 7, 2026

[Dallas Seminar](#)

Aug 28, 2026

[OK Seminar](#)

Oct 14-16, 2026

Save the Date

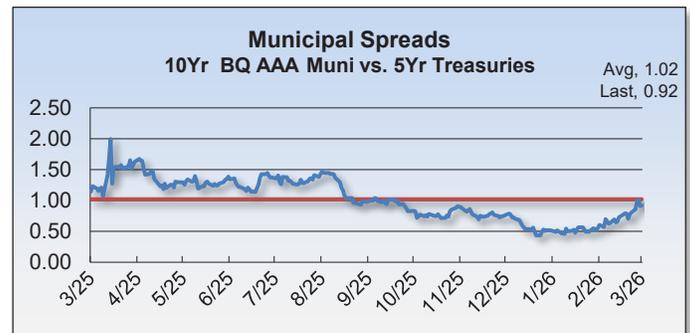
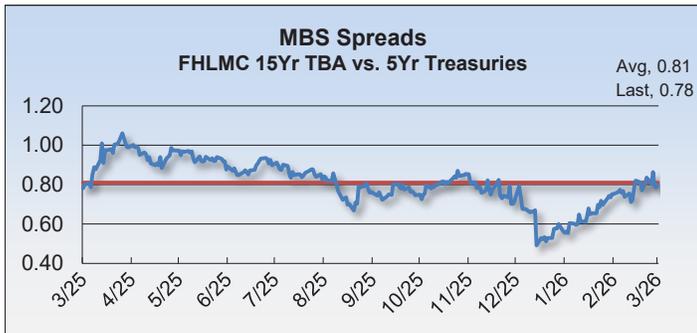
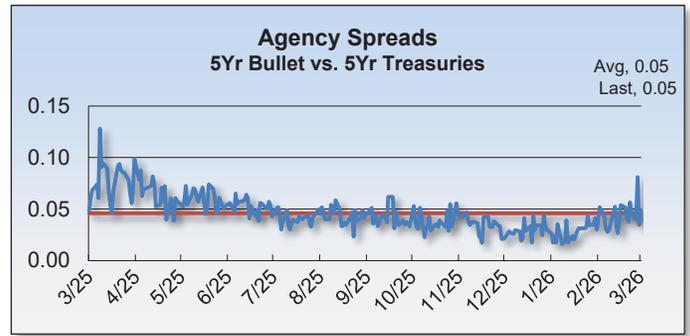
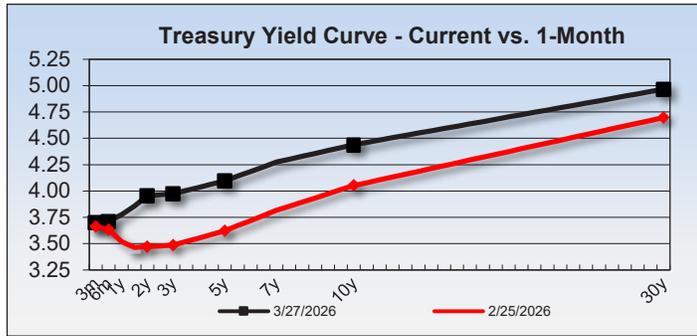
[Bond School](#)

Nov 5-6, 2026

Baker Market Update

Week In Review

March 27, 2026



Treasury Market -- Historical						Fixed Rate Market											
Maty	Current	1Wk Change	Historical			Maty /AL	N-Call Agency	US Swap	AAA BQ Muni		Tax Muni	Agency Calls - Euro					
			1 Mo	6 Mo	1 Yr				C-Corp ²	S-Corp ³		Mty	3Mo	6mo	1Yr	2Yr	
3mo	3.69	(0.01)	3.66	3.95	4.30	2yr	4.01	3.82	3.39	3.61	4.04	2Yr					
6mo	3.71	(0.04)	3.62	3.85	4.24	3yr	4.03	3.77	3.49	3.71	4.03	3Yr					
1yr	3.78	(0.03)	3.48	3.66	4.10	5yr	4.16	3.79	3.74	3.98	4.17	5Yr					
2yr	3.95	0.05	3.38	3.64	3.99	7yr	4.36	3.86	3.99	4.25	4.44	7Yr					
3yr	3.97	0.05	3.38	3.65	4.02	10yr	4.60	3.98	4.41	4.69	4.72	10Yr					
5yr	4.10	0.09	3.50	3.77	4.09	15yr	4.85	4.15	5.07	5.39	4.91	April TBA MBS					
7yr	4.27	0.07	3.70	3.96	4.22	20yr	5.09	4.22	5.82	6.20	5.51	Cpn	15Yr -Yld/AL		30Yr -Yld/AL		
10yr	4.44	0.06	3.94	4.18	4.36	25yr	5.34	4.21	6.07	6.46	5.58	3.00	5.01	4.3y	5.23		
30yr	4.97	0.03	4.61	4.75	4.72	30yr		4.17	6.31	6.72	5.64	3.50	4.97	4.2y			
												4.00	4.83	4.1y	5.27	9.0y	
												4.50	4.84	4.7y	5.38	8.3y	
												5.00			5.46	7.6y	
												5.50			5.54	5.7y	

* Interpolated

Key Market Indices					
Index	Current	1Wk Change	Historical		
			1 Mo	6 Mo	1 Yr
Fed Funds	3.75	--	3.75	4.25	4.50
Primary Discount	3.75	--	3.75	4.25	4.50
2ndary Discount	4.25	--	4.25	4.75	5.00
Prime Rate	6.75	--	6.75	7.25	7.50
Sec. O.N. Finance	3.65	0.03	3.67	4.16	--
1 Month LIBOR	4.96	(0.01)	5.31	5.44	5.43
3 Month LIBOR	4.85	(0.08)	5.28	5.56	5.66
6 Month LIBOR	4.68	(0.08)	5.14	5.65	5.90
1 Year LIBOR	6.04	0.12	5.73	5.48	3.62
6 Month CD	3.93	0.02	3.70	4.01	4.31
1 Year CMT	3.83	0.10	3.52	3.67	4.10
REPO O/N	3.67	(0.00)	3.75	4.23	4.37
REPO 1Wk	3.71	(0.00)	3.67	4.15	4.37
CoF Federal	3.455	--	3.465	3.685	3.666
11th D. CoF (Feb)	2.726	--	2.736	2.956	2.937

FHLB Fixed Advance Rates			
Maturity	Chicago	Boston	Topeka
3mo	3.84	--	3.89
6mo	3.88	--	3.88
1yr	3.96	--	4.00
2yr	4.07	--	4.10
3yr	4.11	--	4.11
4yr	4.18	--	4.17
5yr	4.24	--	4.22
7yr	4.48	--	4.45
10yr	4.68	--	4.66
5yr Am	4.21	--	4.20
10yr Am	4.51	--	4.48

Fed Fund Futures		
Maturity	Rate	
Mar-26	3.640	
Apr-26	3.645	
May-26	3.650	
Jun-26	3.660	
Jul-26	3.665	
Aug-26	3.680	
Sep-26	3.700	
Oct-26	3.730	
Nov-26	3.755	
Dec-26	3.755	
Jan-27	3.755	

Baker Market Update

Week In Review

March 27, 2026



Weekly Economic Calendar						
This Week & Next						
Date	Release	Per.	Est.	Actual	Prior	Revised
3/23	Chicago Fed Nat Activity Index	Feb	0.16	-0.11	0.18	0.20
3/24	ADP Weekly Employment Change	3/7	--	10.00k	9.00k	--
3/24	Philadelphia Fed Non-Manufacturing Ac	Mar	-15.7	-23.9	-17.3	--
3/24	Nonfarm Productivity	4Q F	1.8%	1.8%	2.8%	--
3/24	Unit Labor Costs	4Q F	3.6%	4.4%	2.8%	--
3/24	S&P Global US Manufacturing PMI	Mar P	51.5	52.4	51.6	--
3/24	S&P Global US Services PMI	Mar P	52.0	51.1	51.7	--
3/24	S&P Global US Composite PMI	Mar P	51.9	51.4	51.9	--
3/25	MBA Mortgage Applications	3/20	--	-10.5%	-10.9%	--
3/25	Import Price Index YoY	Feb	0.4%	1.3%	0.4%	0.3%
3/25	Export Price Index YoY	Feb	--	3.5%	2.6%	--
3/25	Current Account Balance	4Q	-\$208.5b	-\$190.7b	-\$226.4b	-\$239.1b
3/26	Initial Jobless Claims	3/21	210k	210k	205k	--
3/26	Initial Claims 4-Wk Moving Avg	3/21	215.00k	210.50k	210.75k	--
3/26	Continuing Claims	3/14	1849k	1819k	1857k	1851k
3/27	U. of Mich. Sentiment	Mar F	54.0	53.3	55.5	--
3/27	U. of Mich. Current Conditions	Mar F	56.9	55.8	57.8	--
3/27	U. of Mich. 1 Yr Inflation	Mar F	3.6%	3.8%	3.4%	--
3/31	FHFA House Price Index MoM	Jan	0.1%	--	0.1%	--
3/31	S&P Cotality CS 20-City MoM SA	Jan	--	--	0.47%	--
3/31	S&P Cotality CS 20-City YoY NSA	Jan	--	--	1.38%	--
3/31	S&P Cotality CS US HPI YoY NSA	Jan	--	--	1.27%	--
3/31	Conf. Board Consumer Confidence	Mar	88.0	--	91.2	--
3/31	Conf. Board Present Situation	Mar	--	--	120.0	--
3/31	Conf. Board Expectations	Mar	--	--	72.0	--
3/31	JOLTS Job Openings	Feb	6850k	--	6946k	--
3/31	JOLTS Job Openings Rate	Feb	--	--	4.2%	--
3/31	JOLTS Quits Level	Feb	--	--	3137k	--
3/31	JOLTS Quits Rate	Feb	--	--	2.0%	--
3/31	JOLTS Layoffs Level	Feb	--	--	1631k	--
3/31	JOLTS Layoffs Rate	Feb	--	--	1.0%	--
4/1	ADP Employment Change	Mar	40k	--	63k	--
4/1	ISM Manufacturing	Mar	52.3	--	52.4	--
4/1	ISM Employment	Mar	--	--	48.8	--
4/2	Challenger Job Cuts YoY	Mar	--	--	-71.9%	--
4/2	Challenger Job Cuts Total	Mar	--	--	48307	--
4/3	Change in Nonfarm Payrolls	Mar	50k	--	-92k	--
4/3	Two-Month Payroll Net Revision	Mar	--	--	-69k	--
4/3	Change in Private Payrolls	Mar	55k	--	-86k	--
4/3	Change in Manufact. Payrolls	Mar	--	--	-12k	--
4/3	Nonfarm Payrolls 3-Mo Avg Chg	Mar	--	--	6k	--
4/3	Average Hourly Earnings MoM	Mar	0.3%	--	0.4%	--
4/3	Average Hourly Earnings YoY	Mar	3.8%	--	3.8%	--
4/3	Average Weekly Hours All Employees	Mar	34.3	--	34.3	--
4/3	Unemployment Rate	Mar	4.4%	--	4.4%	--
4/3	Labor Force Participation Rate	Mar	--	--	62.0%	--
4/3	Underemployment Rate	Mar	--	--	7.9%	--

MBS Prepayments ⁴						
3-Month CPR						
Type	3.0	3.5	4.0	4.5	5.0	5.5
FN 10y	16.0	14.7	12.7	18.0	24.2	26.0
FH/FN 15y	8.7	9.8	12.6	17.4	13.5	14.9
GN 15y	24.0	22.1	30.3	11.4	0.1	-2.3
FH/FN 20y	7.0	7.6	8.8	9.5	12.9	23.6
FH/FN 30y	6.8	5.5	5.3	4.5	6.8	11.4
GN 30y	6.7	3.4	5.1	5.8	6.9	7.2
CPR Projections						
Type	3.0	3.5	4.0	4.5	5.0	5.5
FN 10y	11.3	12.1	13.1	16.0	17.6	19.5
FH/FN 15y	8.9	9.8	11.6	17.7		22.4
GN 15y	8.0	8.0	14.8	14.2	14.3	27.9
FH/FN 20y	8.1	8.2	9.6	11.5	14.4	18.5
FH/FN 30y	6.4	6.8	7.8	9.0	10.3	13.5
GN 30y	6.4	6.5	7.1	8.7	8.3	8.3

Other Markets					
Index	Current	1Wk Chng	Historical		
			1 Mo	6 Mo	1 Yr
Currencies					
Japanese Yen	159.82	0.59	156.05	148.67	150.93
Euro	1.15	(0.00)	1.18	1.17	1.08
Dollar Index	99.95	0.30	97.61	98.15	104.34
Major Stock Indices					
Dow Jones	45,616	39	48,978	46,247	42,300
S&P 500	6,418.8	(87.7)	6,878.9	6,643.7	5,693.3
NASDAQ	21,182.3	(465)	22,668.2	22,484.1	17,804.0
Commodities					
Gold	4,442.3	(132.6)	5,247.9	3,776.2	3,061.0
Crude Oil	97.56	(0.76)	67.02	65.72	69.92
Natural Gas	3.06	(0.04)	2.86	2.84	3.95
Wheat	609.3	14.0	591.3	519.8	532.0
Corn	465.5	--	438.8	422.0	450.0

Notes	
1 Call Agy = Maturity at left w/ a 1-Year Call at Par	
2 Muni TEY (21% Fed, 0.75% CoF)	
3 S-Corp TEY Muni (29.6%, no TEFERA)	
4 MBS Prepayments are provided by Bloomberg	

INTENDED FOR INSTITUTIONAL INVESTORS ONLY. The data provided in these reports is for informational purposes only and is intended solely for your private use. Information herein is believed to be reliable but The Baker Group LP does not guarantee its completeness or accuracy. Opinions constitute our judgment and are subject to change without notice. Past performance is not indicative of future results. The investments and strategies discussed here may not be suitable for all investors; if you have

Source for the aforementioned indices, rates, descriptions, & economic indicators: Bloomberg, L.P. This report was printed as of: 03/27/2026 9:34AM



www.GoBaker.com | 800.937.2257
 Member: FINRA and SIPC
 Oklahoma City, OK | Austin, TX | Long Island, NY | Salt Lake City, UT | Springfield, IL