Baker Market Update—*Week in Review*

November 27, 2026



Andrea Pringle
Senior Vice President

UPCOMING EVENTS

Banks

Webinars:

Q4 IRR Management
Dec 9, 2026

Seminars:

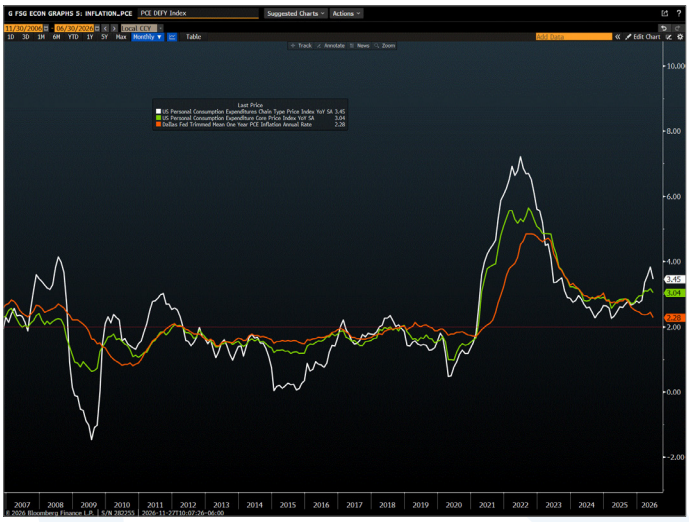
MN Seminar
Dec 3, 2026

The holiday-shortened week did little to calm the volatility that has gripped markets since early October. After last week's selloff pushed the S&P 500 into correction territory, stocks rebounded sharply on Monday when Nvidia's board reinstated Jensen Huang as CEO, less than two weeks after his resignation. Nvidia rose 31%, its largest one-day gain in 23 years, but the relief tapered off somewhat and the stock is still down more than 32% over the last month. This morning, Wall Street looks to be ending the week with stocks rising amid a rebound in the AI trade, easing the safe haven demand for bonds that fueled a rally midweek.

On Wednesday, October's PCE report confirmed that inflation is still moving away from the Fed's target. The headline PCE price index rose 3.8% from a year earlier, up from 3.7% in September, in line with consensus and nearly twice the Fed's 2% goal. Core PCE rose 3.3%, 0.1 percentage points above forecast. A revised estimate put third-quarter GDP growth at 4.3% annualized, up from the prior estimate of 3.4%. Real final sales to private domestic purchasers, a measure Fed officials watch closely as a gauge of underlying demand, rose 5.8% after an upward revision of 0.9 percentage points. Initial jobless claims also fell to 189,000, near their lowest level since the late 1960s.

Taken together, the data suggest policy is not yet restraining the economy, and a 25-basis-point hike at the December 8–9 FOMC meeting is fully priced. Treasury yields nevertheless fell sharply after the PCE release, and traders trimmed expectations for 2027. Two additional hikes remain priced, but the odds of a third fell to about one in three from even odds on Tuesday. Fed Governor Waller has called for either a half-point move in December or a signal of a faster pace of hikes in 2027, so the tone of the December statement and the updated dot plot will matter as much as the decision itself.

Trade policy also came back into focus this week. On Wednesday, the White House announced new tariffs on 14 major trading partners, including China, the EU and Japan. The new duties are intended to rebuild the "Liberation Day" tariffs that the Supreme Court struck down in February. China remains the main target. The administration argues that China produces far more than it can sell at home and dumps the surplus abroad. The increase of roughly 7.5 percentage points brings tariffs from President Trump's second term on Chinese goods to the 20% ceiling set by the current trade truce, which expires January 10. Beijing denied that it floods world markets with cheap goods, but it did not threaten to retaliate, a sign that it wants to keep the truce in place. Markets largely took the announcement in stride, since the new tariffs do not stack on top of measures imposed in July and several key imports, including tech goods, are exempt.

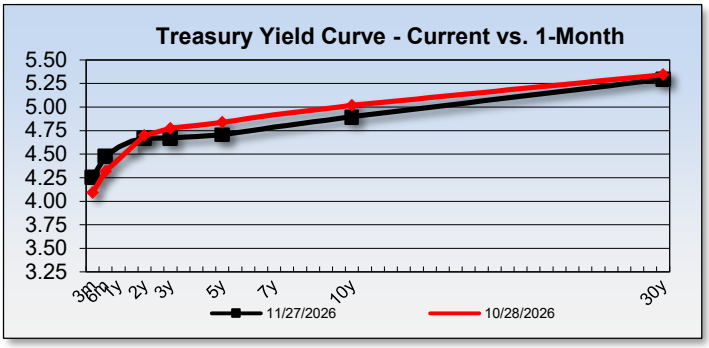


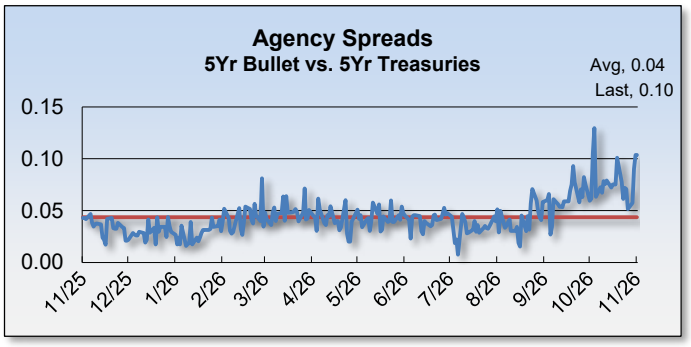
Next week's main release is the November employment report on Friday. Consensus is for a gain of 90,000 jobs and an unemployment rate of 4.1%. It is the last major data release before the Fed meets, and investors may welcome some softness if it gives the committee room to temper its tone.

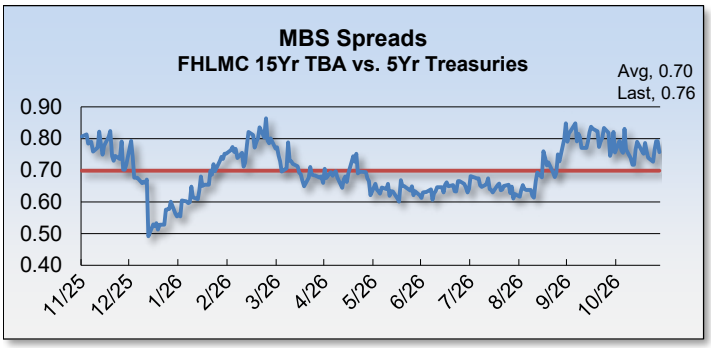
Hope everyone had a happy Thanksgiving!

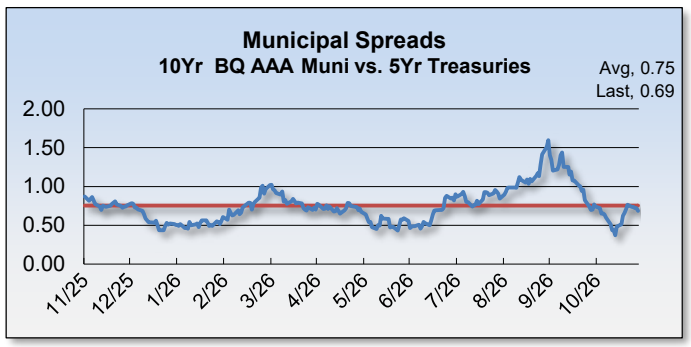
Baker Market Update — *Week in Review*

November 27, 2026









Treasury Market -- Historical

Maty	Current	1Wk Change	Historical 1 Mo	Historical 6 Mo	Historical 1 Yr
3mo	4.26	0.03	4.13	3.67	3.84
6mo	4.48	0.06	4.36	3.76	3.78
1yr	4.57	0.08	4.46	3.79	3.60
2yr	4.67	0.02	4.74	4.03	3.48
3yr	4.67	(0.01)	4.80	4.08	3.51
5yr	4.70	(0.04)	4.84	4.18	3.57
7yr	4.79	(0.04)	4.91	4.32	3.76
10yr	4.90	(0.05)	5.00	4.48	4.00
30yr	5.30	(0.03)	5.31	5.01	4.64

** Interpolated*

Fixed Rate Market

Maty /AL	N-Call Agency	US Swap	AAA BQ Muni C-Corp[2]	AAA BQ Muni S-Corp[3]	Tax Muni
2yr	4.72	4.54	3.98	4.23	4.75
3yr	4.74	4.48	4.06	4.32	4.78
5yr	4.78	4.44	4.30	4.57	4.82
7yr	4.90	4.45	4.44	4.72	4.95
10yr	5.10	4.52	4.69	4.99	5.15
15yr	5.30	4.65	5.39	5.74	5.37
20yr	5.50	4.70	6.09	6.48	5.84
25yr	5.70	4.69	6.43	6.84	5.91
30yr		4.64	6.76	7.20	5.97

Agency Calls - Euro

Mty	3Mo	6mo	1Yr	2Yr
2Yr				
3Yr				
5Yr				
7Yr				
10Yr				

December TBA MBS

Cpn	15Yr -Yld/AL		30Yr -Yld/AL	
4.00	5.40	5.5y	5.81	
4.50	5.34	5.3y		
5.00	5.37	4.9y	5.85	9.2y
5.50	5.39	4.4y	5.94	8.4y
6.00			6.05	7.7y
6.50			6.11	6.1y

Key Market Indices

Index	Current	1Wk Change	Historical 1 Mo	Historical 6 Mo	Historical 1 Yr
Fed Funds	**4.00**	--	4.00	3.75	4.00
Primary Discount	**4.00**	--	4.00	3.75	4.00
2ndary Discount	**4.50**	--	4.50	4.25	4.50
Prime Rate	**7.00**	--	7.00	6.75	7.00
Sec. O.N. Finance	**3.95**	0.05	3.92	3.55	--
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	**4.62**	0.05	4.42	3.84	3.83
1 Year CMT	**4.56**	(0.06)	4.44	3.86	3.60
REPO O/N	**3.90**	--	3.90	3.65	4.10
REPO 1Wk	**3.90**	(0.03)	3.99	3.68	3.94
CoF Federal	**3.707**	--	3.627	3.463	3.600
11th D. CoF (Sep)	**2.898**	--	2.838	2.728	2.921

FHLB Fixed Advance Rates

Maturity	Chicago	Boston	Topeka
3mo	4.40	- -	4.45
6mo	4.61	- -	4.62
1yr	4.72	- -	4.79
2yr	4.77	- -	4.89
3yr	4.77	- -	4.89
4yr	4.81	- -	4.92
5yr	4.82	- -	4.92
7yr	5.12	- -	5.21
10yr	5.27	- -	5.34
5yr Am	4.86		4.94
10yr Am	5.16		5.20

Fed Fund Futures

Maturity	Rate
Nov-26	3.880
Dec-26	4.055
Jan-27	4.145
Feb-27	4.280
Mar-27	4.355
Apr-27	4.435
May-27	4.490
Jun-27	4.540
Jul-27	4.560
Aug-27	4.555
Sep-27	4.560

Baker Market Update—*Week in Review*

November 27, 2026

Weekly Economic Calendar

This Week & Next

Date	Release	Per.	Est.	Actual	Prior	Revised
11/23	S&P Global US Manufacturing PMI	Nov P	54.5	54.5	54.9	--
11/23	S&P Global US Services PMI	Nov P	55.5	54.7	56.1	--
11/23	S&P Global US Composite PMI	Nov P	55.6	54.6	55.9	--
11/24	ADP Weekly Employment Change	11/7	--	21.000k	~~23.750k~~	23.000k
11/24	S&P Cotality CS 20-City YoY NSA	Sep	2.71%	2.56%	~~2.65%~~	2.62%
11/24	S&P Cotality CS US HPI YoY NSA	Sep	2.20%	2.09%	~~2.09%~~	2.10%
11/24	Conf. Board Consumer Confidence	Nov	92.4	103.3	~~91.7~~	91.9
11/24	Conf. Board Present Situation	Nov	121.1	132.8	~~120.4~~	119.1
11/24	Conf. Board Expectations	Nov	74.0	83.6	~~72.6~~	73.7
11/25	Personal Income	Oct	0.4%	0.7%	~~0.2%~~	0.3%
11/25	Real Personal Spending	Oct	0.1%	0.0%	~~0.0%~~	0.1%
11/25	PCE Price Index MoM	Oct	0.3%	0.3%	0.5%	--
11/25	PCE Price Index YoY	Oct	3.8%	3.8%	~~3.6%~~	3.7%
11/25	Core PCE Price Index MoM	Oct	0.3%	0.3%	0.3%	--
11/25	Core PCE Price Index YoY	Oct	3.2%	3.3%	3.1%	--
11/25	GDP Annualized QoQ	3Q S	3.5%	4.3%	3.4%	--
11/25	GDP Price Index	3Q S	2.3%	1.9%	2.3%	--
11/25	Core PCE Price Index QoQ	3Q S	2.5%	2.5%	2.5%	--
11/25	Initial Jobless Claims	11/21	200k	189k	~~203k~~	202k
11/25	Continuing Claims	11/14	1740k	1697k	~~1763k~~	1792k
11/25	Durables Ex Transportation	Oct P	0.5%	0.5%	0.5%	--
11/25	Cap Goods Ship Nondef Ex Air	Oct P	0.8%	0.6%	~~1.2%~~	1.3%
11/30	MNI Chicago PMI	Nov	--	--	55.3	--
12/1	JOLTS Job Openings	Oct	7450k	--	7523k	--
12/1	JOLTS Job Openings Rate	Oct	--	--	4.5%	--
12/1	JOLTS Quits Level	Oct	--	--	3365k	--
12/1	JOLTS Quits Rate	Oct	--	--	2.1%	--
12/1	JOLTS Layoffs Level	Oct	1705k	--	1641k	--
12/1	JOLTS Layoffs Rate	Oct	--	--	1.0%	--
12/1	ISM Manufacturing	Nov	55.0	--	55.5	--
12/1	ISM Prices Paid	Nov	71.0	--	75.2	--
12/1	ISM New Orders	Nov	55.0	--	55.5	--
12/1	ISM Employment	Nov	52.2	--	52.4	--
12/2	ADP Employment Change	Nov	80k	--	86k	--
12/3	Challenger Job Cuts YoY	Nov	--	--	-71.3%	--
12/3	ISM Services Index	Nov	54.5	--	54.5	--
12/3	ISM Services Prices Paid	Nov	70.5	--	73.0	--
12/3	ISM Services New Orders	Nov	--	--	55.9	--
12/3	ISM Services Employment	Nov	--	--	51.4	--
12/4	Change in Nonfarm Payrolls	Nov	90k	--	165k	--
12/4	Change in Private Payrolls	Nov	90k	--	159k	--
12/4	Change in Manufact. Payrolls	Nov	15k	--	19k	--
12/4	Average Hourly Earnings YoY	Nov	3.0%	--	3.1%	--
12/4	Average Weekly Hours All Employees	Nov	34.4	--	34.4	--
12/4	Unemployment Rate	Nov	4.1%	--	4.1%	--
12/4	Labor Force Participation Rate	Nov		--	61.9%	--
12/4	Underemployment Rate	Nov	--	--	7.9%	--

MBS Prepayments[4]

	3-Month CPR					
Type	4.0	4.5	5.0	5.5	6.0	6.5
FN 10y	10.9	14.4	17.9	20.8	25.5	37.2
FH/FN 15y	8.4	14.3	8.5	10.1	16.6	53.0
G2 15y	9.2	10.6	13.3	15.9	20.3	0.8
FH/FN 20y	9.2	9.4	12.6	21.6	23.9	21.8
FH/FN 30y	4.7	5.8	5.6	8.7	9.9	14.0
G2 30y	1.4	6.2	6.3	7.1	2.7	5.4
	CPR Projections					
Type	4.0	4.5	5.0	5.5	6.0	6.5
FN 10y	10.9	12.1	13.7	15.1	15.7	14.7
FH/FN 15y	9.7	12.9	14.8	54.0		15.8
G2 15y	9.4	11.0	12.2	12.9	15.3	17.2
FH/FN 20y	8.3	9.8	13.7	17.2	18.1	18.7
FH/FN 30y	6.7	6.8	7.8	9.1	10.3	12.9
G2 30y	6.8	7.7	9.1	9.8	11.3	14.8

Other Markets

		1Wk	Historical		
Index	Current	Chng	1 Mo	6 Mo	1 Yr
Currencies					
Japanese Yen	159.51	0.94	157.69	159.38	156.29
Euro	1.10	(0.00)	1.11	1.16	1.16
Dollar Index	103.89	(0.00)	102.32	99.21	#N/A N/A
Major Stock Indices					
Dow Jones	50,451	1,354	52,378	50,644	47,427
S&P 500	7,227.9	52.0	7,722.6	7,520.4	6,812.6
NASDAQ	23,767.7	(112)	26,477.8	26,674.7	23,214.7
Commodities					
Gold	3,627.2	(58.3)	4,058.8	4,448.4	4,165.2
Crude Oil	83.89	0.68	99.90	88.68	58.65
Natural Gas	3.51	0.24	2.70	3.04	4.56
Wheat	574.5	-3.8	610.3	622.5	529.0
Corn	446.3	7.3	448.8	452.5	431.8

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, LP. This report was printed as of: 11/27/2026 9:10AM