

Flash Update: US RATE MARKETS – TUESDAY FEBRUARY 24, 2026

- **UST yields and SOFR swap rates are drifting a touch higher this morning – traders are seeking direction amidst growing uncertainty**
- **Traders continue to monitor geopolitical developments; US/Iran tensions are once again a focus for the market**
- **Escalating tensions between the US and Iran are putting pressure on crude oil prices and adding to market fear and uncertainty**
- **The Market reaction to the SCOTUS tariff ruling has been largely muted as traders await more details and information**
- **Traders continue to track volatile equity markets, specifically the technology and AI sectors**
- **Market participants will continue to monitor developments with the DOJ investigation into the US Central Bank**
- **The next FOMC rate decision is due Wednesday, March 18, 2026 at 2:00 PM**
- ***Next up for key data:* January PPI data prints on Friday, 2/27 at 8:30 AM**
- **Short-end SOFR swap rates are trading up ~1-2 bps this morning, depending on tenor**
- **Long-end SOFR swap rates are currently down ~1-2 bps, depending on tenor**

US Treasury yields and SOFR swap rates are a touch higher this morning, particularly on the short and medium sectors of the curve. Back-end rates are slightly lower this morning. Rates dipped slightly yesterday, as traders sought safe haven from equity market disruptions and rising geopolitical concerns surrounding the potential for an escalating US/Iran conflict. Traders did not overreact – rates were only down a couple of basis points yesterday. I expect the focus on the equity markets (specifically the tech sector) and geopolitics to continue – there are growing fears that AI driven equity market gains may be due for a *major* correction, and geopolitical tensions remain elevated.

The market has also had a mostly muted reaction to the SCOTUS tariff ruling – so far. To me that signals market participants need more details and information before they can react. This week, I see traders continuing to *cautiously* monitor a host of potential market catalysts. The market is jittery, but so far traders seem unwilling to carve out a definitive new trading range. That tells me uncertainty still reigns in the market.

There are a number of Fed officials on the tape today. We are slowly approaching the next Fed meeting, so market participants will be keen to get a hint of the Fed's current thinking. At the moment, consensus expectations are not calling for a rate cut at the March meeting. Next up for key economic data is the release of January PPI on Friday, 2/27 at 8:30 AM.

News the market is tracking includes:

- *Geopolitical developments continue to weigh on market sentiment.* Tensions between Iran and the US are once again escalating, pushing crude oil prices higher and adding to the market's fear and uncertainty.
- SCOTUS is also currently ruling on the legality of the President firing of the Fed's Lisa Cook. There are some reports stating that SCOTUS is nearing a final decision on that case as well, which could have *far reaching* implications for the US Central Bank.
- The US Justice Department investigation into the US Central Bank and Chairman Powell will remain a key market focus moving forward.
- Market participants will be tracking developments in the US equities markets closely. There is still a sharp focus on the performance of the growing AI sector. Market sentiment is likely to be impacted by "tech" earnings for the foreseeable future.
- The market continues to monitor US political developments, specifically with respect to budget negotiations. Traders are watching for signs of another potential government shutdown. As we have witnessed recently, government shutdowns can impact the timely release of economic data, which makes it difficult for traders to position. *US political developments will remain front-and-center for the market for the foreseeable future.*

Date Time	A	M	R	Event
02/24 08:00				Fed's Goolsbee Speaks on Economy
02/24 09:00				Fed's Collins Gives Opening Remarks
02/24 09:00				Fed's Bostic in Moderated Discussion
02/24 09:15				Fed's Waller Gives Keynote Address
02/24 09:30				Fed's Cook Speaks on AI
02/24 09:30				Fed's Goolsbee on Bloomberg TV
02/24 15:15				Fed's Barkin & Collins on Panel
02/25 10:40				Fed's Barkin Speaks on Panel
02/25 11:00				Fed's Schmid Speaks on Monetary Policy and
02/25 13:20				Fed's Musalem Speaks on Role of Fed
02/26 10:00				Fed's Bowman Testifies Before Senate Bank
03/03 09:55				Fed's Williams Gives Keynote Remarks
03/03 11:55				Fed's Kashkari Speaks at 2026 Bloomberg In
03/04 14:00				Fed Releases Beige Book
03/06 13:30				Fed's Hammack Speaks on Panel on Dollar
03/06 13:30				Fed's Hammack Speaks at Monetary Policy F
03/07-03/19				Fed's External Communications Blackout

Source: Bloomberg, LLP | FED SPEECH CALENDAR THROUGH 3/6/2026

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