

The Arizona Loan Baron

Timothy Baron, VP 🛛 Senior Loan Officer 🖻 Loan Baron, V.I.P. Mortgage, Inc.

Timothy Baron NMLS #184671 V.I.P. Mortgage, Inc. does 6390 E Tanque Verde Rd. Suite #200 Tucson, AZ 85715

The Week Ahead: Bond Markets Won't Miss October

It's no mystery that the prevailing trend in bond markets has been negative for several months. **At first**, this was no big deal, as Treasury yields just hit all-time lows in early July. Coming off all-time lows, it's easy to forgive a bit of a corrective bounce. After all, rates can't go perpetually lower without blowing off some steam from time to time.

With that in mind, things **weren't too alarming** heading into the end of August. True, the low yields on any given day were trending higher, but the high yields remained under a ceiling of 1.60%, in general.

That began to change in early September as the first hints of European Central Bank tapering begin trickling in. Yields tried to break back below 1.60% at the end of the month, but were only able to hold it for a few days. October brought **renewed selling momentum** from the outset. 1.73--which had been a ceiling in September--quickly became a floor. In only a few short weeks, yields were up to intraday highs of 1.879%, and closing levels right around the long-term inflection point at 1.84%.

We enter the current week not only in line with that inflection point, but also pushed up against the top of the prevailing trend channel.



© 2024 MBS Live, LLC. - This newsletter is a service of <u>MarketNewsletters.com</u>.

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.

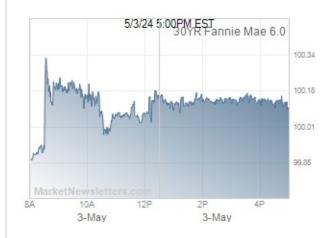
Read or subscribe to my newsletter online at: <u>http://mortgagenewsletter.net/timothybaron</u>

Office: 520-275-5956 Mobile: 520-275-5956 timothybaron@vipmtginc.com View My Website

MBS & Treasury Market Data

| | Price / Yield | Change |
|----------------|---------------|---------|
| MBS UMBS 6.0 | 100.09 | +0.31 |
| MBS GNMA 6.0 | 101.03 | +0.29 |
| 10 YR Treasury | 4.5138 | -0.0657 |
| 30 YR Treasury | 4.6711 | -0.0579 |

Pricing as of: 5/3 5:04PM EST



Average Mortgage Rates

| | Rate | Change | Points |
|-------------------------|-------|--------|--------|
| Mortgage News Daily | | | |
| 30 Yr. Fixed | 7.28% | -0.09 | 0.00 |
| 15 Yr. Fixed | 6.75% | -0.07 | 0.00 |
| 30 Yr. FHA | 6.70% | -0.12 | 0.00 |
| 30 Yr. Jumbo | 7.48% | -0.07 | 0.00 |
| 5/1 ARM | 7.35% | -0.07 | 0.00 |
| Freddie Mac | | | |
| 30 Yr. Fixed | 7.22% | -0.22 | 0.00 |
| 15 Yr. Fixed | 6.47% | -0.29 | 0.00 |
| Mortgage Bankers Assoc. | | | |
| 30 Yr. Fixed | 7.24% | +0.11 | 0.66 |
| 15 Yr. Fixed | 6.75% | +0.11 | 0.64 |
| 30 Yr. FHA | 7.01% | +0.11 | 0.94 |
| 30 Yr. Jumbo | 7.45% | +0.05 | 0.56 |
| 5/1 ARM | 6.64% | +0.12 | 0.87 |
| Rates as of: 5/3 | | | |

With the Bank of Japan tomorrow, the Fed Wednesday, and NFP Friday, bonds have several opportunities to catch a temporary break before volatility picks back up in early December (important ECB and Fed announcements). Actually, rather than "several opportunities, it would be more accurate to say that this week represents the **last chance** to remain committed to current uptrend. There are plenty of gains to be had if bonds can hold this ceiling, but losses could easily accelerate if they don't.

Subscribe to my newsletter online at: http://mortgagenewsletter.net/timothybaron

The Arizona Loan Baron

The Arizona Loan Baron is at your service!

I would appreciate the opportunity to share with you my extensive mortgage lending experience. My client focused approach has allowed me to build long lasting relationships and partnerships throughout Arizona. I know this market. I live here and work here. Please allow me the opportunity to be your mortgage lending partner.

The Arizona Loan Baron



© 2024 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.