



## 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

Office: 520-275-5956  
 Mobile: 520-275-5956  
[timothybaron@vipmtginc.com](mailto:timothybaron@vipmtginc.com)  
[View My Website](#)

## Quiet Week For Housing as Market Volatility Looms

Most of this week's focus has been on financial markets where stocks, oil and rates all leveled-off after the exceptional volatility seen in the previous week. **Interest rates** didn't experience nearly as much volatility as other sectors, but they've all generally moved back in a more risk-tolerant direction together (higher stocks, rates, oil prices), after moving sharply lower together.

In simpler terms, **rates and stocks fell** 2 weeks ago and they **bounced back** last week. This week has been significantly flatter, by comparison. Interest rates have been especially well-centered on the proverbial fence. That's important because it suggests that investors are waiting for something to push them off the fence. Fortunately, we have clues as to what that might be.

At the end of last week, **Fed Vice Chair Stanley Fischer** made some important comments at the Fed's annual symposium in Jackson Hole (generally regarded as a unique venue for the Fed to speak a bit more candidly, and potentially drop bigger hints about what's in store). Yellen isn't there this year, so Fischer is the highest ranking Fed official on record.

Fischer said there was a **"strong case for a September hike"** and that there was "a little over two weeks before we make the decision." He further spoke to the importance of these 2 weeks by saying "we've got time to wait and see the incoming data." In other words, the economic reports coming out this week and next may play a key role in the Fed's rate-hike decision. The fact that bonds/rates have been so flat since then only puts more emphasis on Friday's big jobs report. Weeks like these, where rates barely budge, are typically followed by a **much larger move** higher or lower.

There's been little by way of **housing-specific news** since last Friday. On a related note to the market volatility, the MBA noted a sharp increase in **mortgage applications**. They cited the volatility as providing a temporary window of lower-rate opportunity despite the week-over-week mortgage rate being unchanged.

## National Average Mortgage Rates



	Rate	Change	Points
<b>Mortgage News Daily</b>			
30 Yr. Fixed	7.08%	-0.05	0.00
15 Yr. Fixed	6.45%	-0.02	0.00
30 Yr. FHA	6.55%	-0.05	0.00
30 Yr. Jumbo	7.25%	-0.04	0.00
5/1 ARM	7.07%	-0.03	0.00

### Freddie Mac

30 Yr. Fixed	6.95%	+0.09	0.00
15 Yr. Fixed	6.25%	+0.09	0.00

Rates as of: 7/3

## Market Data

	Price / Yield	Change
MBS UMBS 6.0	100.39	+0.19
MBS GNMA 6.0	100.53	+0.14
10 YR Treasury	4.3675	+0.0073
30 YR Treasury	4.5420	+0.0123

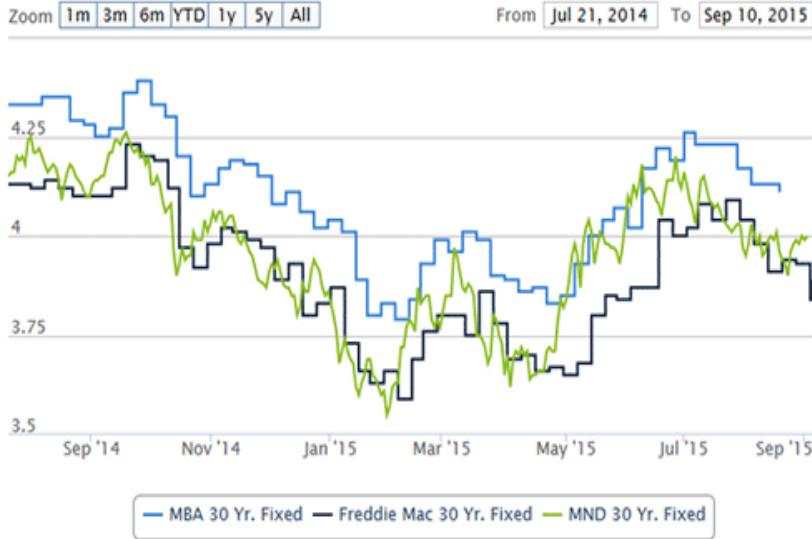
Pricing as of: 7/4 10:52PM EST

## Recent Housing Data

		Value	Change
Mortgage Apps	Jun 12	208.5	+15.58%
Building Permits	Mar	1.46M	-3.95%
Housing Starts	Mar	1.32M	-13.15%
New Home Sales	Mar	693K	+4.68%
Pending Home Sales	Feb	75.6	+1.75%
Existing Home Sales	Feb	3.97M	-0.75%
Builder Confidence	Mar	51	+6.25%

### Average 30 Year Fixed Mortgage Rates

Mortgage News Daily, MBA, and Freddie Mac



In a separate report, the MBA noted another modest increase in **Mortgage Credit Availability**. As has been the case on several occasions, Jumbo guidelines are doing much of the heavy-lifting. But government agencies have also steadily unveiled guideline improvements that will allow more potential homeowners to qualify. The **most recent example** from Fannie Mae makes **fairly substantial changes** to the way some self-employed borrowers are evaluated. For now, the new guidelines are voluntary, but all lenders will be participating by February 1, 2016.

The only other official housing news of the week was an **upbeat reading** on **home price appreciation** from CoreLogic. Most home price tracking agrees that June is typically a better month than July for home prices, but the CoreLogic report showed a 6.9 percent year-over-year increase in July. Compare that to June's 6.5 percent increase and this becomes the most bullish recent reading on home prices. CoreLogic sees another 4.7 percent increase by next July.

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

### Recent Economic Data

Date	Event	Actual	Forecast	Prior
<b>Monday, Aug 31</b>				
9:45AM	Aug Chicago PMI	54.4	54.7	54.7
<b>Tuesday, Sep 01</b>				
10:00AM	Aug ISM Mfg Prices Paid	39.0	42.5	44.0
10:00AM	Jul Construction spending (%)	+0.7	0.6	0.1
10:00AM	Aug ISM Manufacturing PMI	51.1	52.6	52.7
<b>Wednesday, Sep 02</b>				
7:00AM	w/e MBA 30-yr mortgage rate (%)	4.08		4.08
7:00AM	w/e MBA Purchase Index	206.9		198.7
7:00AM	w/e Mortgage Refinance Index	1902.4		1629.3
8:15AM	Aug ADP National Employment (k)	190.0	201	185
9:45AM	Aug ISM-New York index	700.2		699.7

### Event Importance:

- No Stars = Insignificant
- ☆ Low
- ★ Moderate
- ★★ Important
- ★★★ Very Important

Date	Event	Actual	Forecast	Prior
<b>Thursday, Sep 03</b>				
8:30AM	w/e Continued jobless claims (ml)	2.257	2.255	2.269
8:30AM	w/e Initial Jobless Claims (k)	282	275	271
8:30AM	Jul International trade mm \$ (bl)	-41.86	-42.4	-43.8
10:00AM	Aug ISM N-Mfg Bus Act	63.9	61.0	64.9
10:00AM	Aug ISM N-Mfg PMI	59.0	58.1	60.3
<b>Friday, Sep 04</b>				
8:30AM	Aug Manufacturing payrolls (k)	-17	5	15
8:30AM	Aug Average workweek hrs (hr)	34.6	34.5	34.6
8:30AM	Aug Unemployment rate mm (%)	5.1	5.2	5.3
8:30AM	Aug Private Payrolls (k)	+140	215	210
8:30AM	Aug Non-farm payrolls (k)	+173	220	215
<b>Monday, Sep 07</b>				
12:00AM	Labor Day			
<b>Tuesday, Sep 08</b>				
1:00PM	3-Yr Note Auction (bl)	24		
<b>Thursday, Sep 10</b>				
8:30AM	Aug Export prices mm (%)	-1.4	-0.3	-0.2
8:30AM	Aug Import prices mm (%)	-1.8	-1.6	-0.9
<b>Wednesday, Oct 07</b>				
1:00PM	10-yr Note Auction (bl)	21		
<b>Thursday, Oct 08</b>				
1:00PM	30-Yr Bond Auction (bl)	13		

## 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**

