

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
View My Website

The Week Ahead: Approaching Major Inflection Point Ahead of ECB Meeting

The European Central Bank (ECB) has been one of the driving forces behind ultra-low rates around the world for several years, thanks to an **aggressive and expanding** bond buying program. There was a time when the Fed's easing efforts could also be classified as aggressive and expanding. Incidentally the analogous time frames resulted in all-time lows for global rates in both cases.

The Fed began to shift from "aggressive and expanding" to "still aggressive, but **possibly no longer expanding**" in 2013. The result was the Taper Tantrum and a concomitant move quickly higher in rate.

The ECB hasn't done anything to officially open a tapering conversation, but **markets are worried** they might be getting close after ECB Pres Draghi passed up an opportunity to promise further extension of bond buying in the early September meeting. That was followed by an article citing anonymous sources within the ECB claiming a burgeoning consensus on the need to taper asset purchases.

While that has since been **denied** by official ECB sources, there's an **inherent distrust** of such official claims. Markets want to know what the actual central bank policy statements will say. That's where the rubber meets the road. And that's exactly what we'll get this Thursday, when the ECB releases their next policy announcement.

It's unlikely, if not utterly impossible that the ECB's actual announcement will contain any changes in its bond buying scheme. Not only would that be premature, considering the March 2017 deadline, but the ECB also does things a bit differently than the Fed, preferring to use the press conference as a venue for rolling out major changes. At the very least, Draghi will get a few **pointed questions** about what the ECB plans to do after the current phase of bond-buying expires.

Almost as if by design, 10yr yields are approaching one of their **most significant** long-term pivot/inflection-points at the same time. More recent movement may make 1.83% seem like less of a hard and fast technical level than it did in 2011/2012, but I think early 2016 only reinforced its significance. By that time, 1.83% had already proven itself as a key level. When markets are clearly aware of certain technical levels, it's not uncommon to see consolidation occur AROUND those levels. In other words, yields formed a wedge (or "pennant," or "triangle") with 1.83% being the mid-point.

MBS and Treasury

	Price / Yield	Change
MBS UMBS 6.0	99.83	+0.01
10 YR Treasury	4.9073	-0.0226
30 YR Treasury	5.2740	-0.0342

Pricing as of: 11/2 9:11AM EST



Average Mortgage Rates

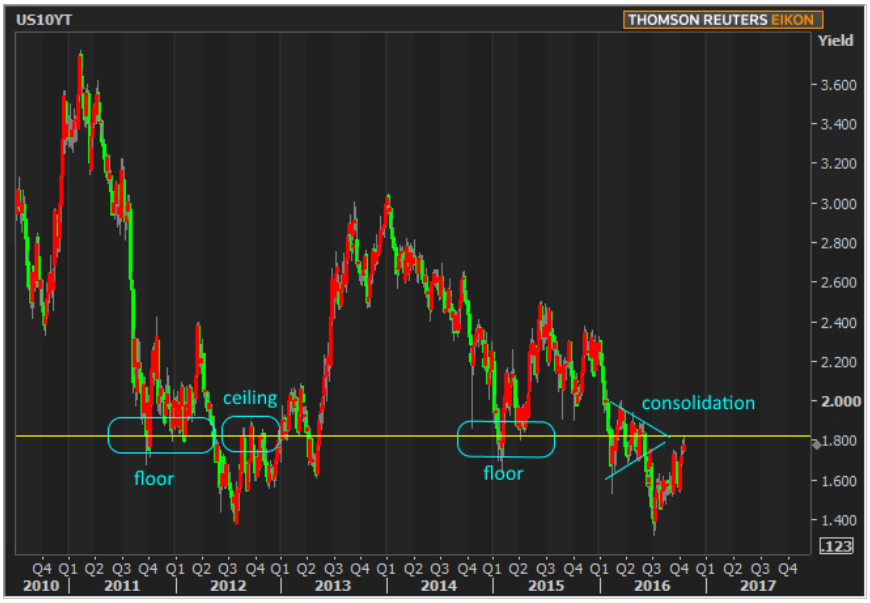
	Rate	Change	Points
Mortgage News Daily			
30YR Fixed	7.27%	-0.02	0.00
15YR Fixed	6.92%	-0.03	0.00
30YR FHA	6.90%	-0.01	0.00
30YR Jumbo	7.55%	0.00	0.00
7/6 SOFR	6.78%	-0.10	0.00
30YR VA	6.91%	-0.01	0.00

Rates as of: 10/30

© 2026 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.

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



Brexit helped push rates off the fence, but using a step-stool built on ECB-related anxiety, rates are very close to being back on the fence. There's a chance the ECB could push us in the other direction starting as early as Thursday (press conference begins at 8:30am). It's not necessarily a better-than-average chance, but it nonetheless makes sense to **be prepared for volatility.** Economic data is fairly limited otherwise, with Tuesday's CPI being the only other major release.

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

Experienced. Trusted. Local.

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 to be your mortgage lending partner.

Timothy Baron



© 2026 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.

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