Mortgage Market Commentary



Jeffrey Chalmers

Senior Loan Officer, Movement Mortgage NMLS #76803 - #39179 Licensed: CA, CT, FL, MA, ME, NH, 99 Rosewood Dr, Suite 270 Danvers, MA 01923

A Message from Jeffrey Chalmers:

"Markets get funky when politics get involved. Will there be a DECEMBER RATE HIKE?"

The Day Ahead: Bond Bounce Beholden to Fed and Election Drama

Let's not get too excited, but bonds have begun an **attempt to bounce** at the higher side of their multi-month trend channel (the "uptrend" leading toward higher rates in linear channel of higher highs and higher lows). Yields bounced on the upper trendline for the 3rd time in 4 days yesterday, and were then able to make additional gains in the overnight session.

If today proves positive for bonds, it would be the **4th straight day** with yields lower at the close vs the open (which makes for green candlesticks in the chart below). This would also keep the blue line under the red line in the fast stochastic study at the lower section of the chart.



© 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://housingnewsletters.com/clicknfinance</u>

MBS & Treasury Market Data

jeffrey.chalmers@movement.com

	Price / Yield	Change
MBS UMBS 6.0	99.78	+0.33
MBS GNMA 6.0	100.75	+0.27
10 YR Treasury	4.5805	-0.0540
30 YR Treasury	4.7290	-0.0224

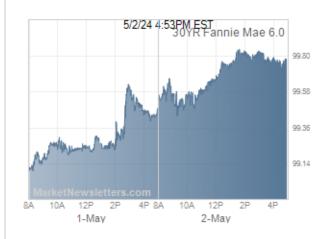
Pricing as of: 5/24:52PM EST

Office: (774) 291-6527

Mobile: (774) 291-6527

Fax: (855) 951-5626

View My Website



Average Mortgage Rates

	Rate	Change	Points	
Mortgage News Daily				
30 Yr. Fixed	7.37%	-0.04	0.00	
15 Yr. Fixed	6.82%	-0.02	0.00	
30 Yr. FHA	6.82%	-0.06	0.00	
30 Yr. Jumbo	7.55%	-0.05	0.00	
5/1 ARM	7.42%	-0.08	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 Rates as of: 5/2	6.64%	+0.12	0.87	

Mortgage Market Commentary

As the caption suggests, we'd ideally like to see the "stochastic cross" occurring in 'oversold' territory (above the upper horizontal blue line). This would be a firmer suggestion of a **shift in momentum**. As you can see in August, the simple presence of stochastic crossed doesn't necessarily guarantee momentum shifts. Incidentally, shifts aren't guaranteed by crosses in oversold territory either, but it does increase the odds.

And finally, there's the fact that technical analysis may be **completely out the window** in the current environment. Sure, it's "nice" when the charts look like they might be somewhat helpful to our cause, but ultimately, we're only one political headline or one changed phrase in the Fed statement away from bond markets doing whatever they damn well please, regardless of the technicals.

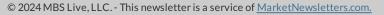
In other words, the charts could be pointing toward a reversal all day long, but if the Fed **clearly telegraphs a December rate hike**, or if an **election bombshell** drops that pushes the odds back toward Clinton, bonds will likely suffer.

Subscribe to my newsletter online at: http://housingnewsletters.com/clicknfinance

Because Integrity Matters[™]

Jeffrey has spent the last three decades perfecting an Honest, Open and Transparent (HOT[™]) loan and closing process that is laser-focused on enhancing the consumer mortgage experience. By combining old-school, trustworthy customer service with real-time, mobile-friendly technology, he has successfully built thousands of loyal, raving fans.

Jeffrey Chalmers



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.