Mortgage Market Commentary



Rich E. Blanchard Managing Director, RICH Home Loans LLC NMLS: 492461 1550 Wewatta St., 2nd Floor Denver, CO 80202

MBS Recap: Bonds Avoid Afternoon Weakness for Unfortunate Reasons

Bond markets had been trending in an **unfriendly direction all day**. The charts on the dashboard don't capture the strength of the trend because it began in the overnight session and stayed steady until roughly 2pm. That's when the tragic headlines began coming in regarding the mass shooting in San Bernadino.

The connection between financial markets and this sort of atrocity might not be readily apparent, but it is real. Uncertainty is at the heart of the issue. While mass shooting in the US with multiple gunmen at large is **horrible enough on its own**, it would be even more horrible if it was the first of a series of attacks, like those that occurred in Paris. Until that sort of escalation can be ruled out, investors will be more risk averse. That's usually a cue to sell stocks and buy bonds.

In today's case, the small-scale flight-to-safety in markets did more to hurt stocks than to help bonds. MBS and Treasuries ended the day having **lost roughly half** of what they gained yesterday. Tomorrow and Friday bring the week's most anticipated data in the form of the ECB Announcement and NFP.

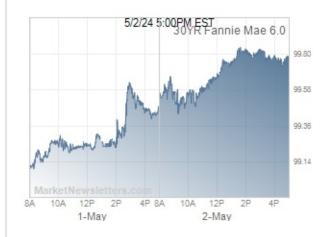
Subscribe to my newsletter online at: http://housingnewsletters.com/richhomeloans

Office: 720.619.9900 Mobile: 303.328.7047 Fax: 214.975.2874 richblanchard@richhomeloans.com View My Website

MBS & Treasury Market Data

| | Price / Yield | Change |
|-----------------------------|---------------|---------|
| MBS UMBS 6.0 | 99.78 | +0.32 |
| MBS GNMA 6.0 | 100.74 | +0.26 |
| 10 YR Treasury | 4.6377 | +0.0032 |
| 30 YR Treasury | 4.7290 | 0.0000 |
| Driving on of E/20,01DM ECT | | |

Pricing as of: 5/28:01PM EST



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 | 6.64% | +0.12 | 0.87 |
| Rates as of: 5/2 | | | |

© 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.

2

Expert Advice | Exceptional Service | Flawless Execution

With 27+ years of expertise in mortgage banking you can be confident in my knowledge and abilities to deliver a seamless loan transaction while providing personalized service.



 $\textcircled{C} 2024\,MBS\,Live, LLC. - This newsletter is a service of \underline{MarketNewsletters.com}.$

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.