

Rich E. Blanchard

Managing Director, RICH Home Loans LLC

NMLS: 492461

1550 Wewatta St., 2nd Floor Denver, CO 80202

Office: 720.619.9900 Mobile: 303.328.7047 Fax: 214.975.2874

richblanchard@richhomeloans.com

View My Website

## The Day Ahead: Bonds Feeling Out Expanded Range Amid Limited Data

Today's only significant economic data hits at 10am ET with Existing Home Sales (5.52 mln forecast vs 5.61 mln previously). Given the bigger decline in the most recent Pending Home Sales data, 5.52 mln is a bit of a bullish guess among economists. If we just applied some simple math from the Pending Sales decline, the implied number for today would be 5.47 mln. Either way, that would the series in **fine shape overall**, especially considering that 5.61m number from last month was the highest in nearly 10 years.

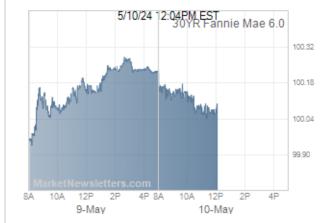
Ultimately though, Existing Sales data tends to be a **mild** market mover at best. Preferences seem to have been shifting toward an older-school mentality where traders are actually **able to avoid laughing** at the notion of inflation--something that was very easy to dismiss between 2011-2015. Purer growth metrics (things like Durable goods and Advance GDP coming up on Friday) are in the same boat. In that sense, economic data will be more worthy of attention at the end of the week.

Between now and then, we have things like the **good old range**. In terms of 10yr yields, the range was "re-widened" with last week's weakness, and the early 2017 ceiling (2.40-2.44, depending on the day--call it 2.42 for simplicity) is now more of a midpoint, as seen in the top of the following chart. The remaining panes of the chart have various technical overlays (in order: fast stochastics, slow stochastics, MACD, and RSI--all momentum indicators) which combine to suggest relatively equivocal momentum.

## MBS & Treasury Market Data

	Price / Yield	Change
MBS UMBS 6.0	100.10	-0.18
MBS GNMA 6.0	100.88	-0.27
10 YR Treasury	4.5013	+0.0452
30 YR Treasury	4.6464	+0.0379

Pricing as of: 5/10 12:05PM EST



## Average Mortgage Rates

	Rate	Change	Points
Mortgage News	Daily		
30 Yr. Fixed	7.15%	-0.05	0.00
15 Yr. Fixed	6.63%	-0.03	0.00
30 Yr. FHA	6.61%	-0.03	0.00
30 Yr. Jumbo	7.39%	-0.02	0.00
5/1 ARM	7.34%	+0.01	0.00
Freddie Mac			
30 Yr. Fixed	7.09%	-0.35	0.00
15 Yr. Fixed	6.38%	-0.38	0.00
Mortgage Banke	rs 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: 5/9			

© 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.



Beyond the range, this week's Treasury auction cycle will probably hold on to its recently-elevated importance, although this is a bigger deal with tomorrow's 5yr auction as opposed to today's 2yr auction.

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

## **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.

Rich E. Blanchard

