



## 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

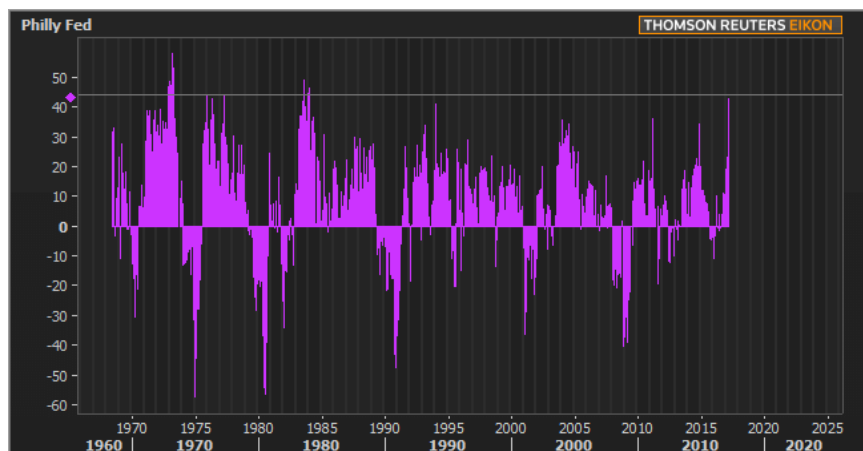
[richblanchard@richhomeloans.com](mailto:richblanchard@richhomeloans.com)

[View My Website](#)

## UPDATE: Big Beat in Philly Fed Exposes Potential Secret Strength in Bonds

There were three reports out at 8:30am, but we can **throw 2 of them right out** the window. Housing Starts and Building Permits were right in line with forecasts on both accounts (1246k vs 1222k and 1285k vs 1230k respectively). Jobless Claims--not that they matter--were also fairly close at 239k vs 245k forecast.

The Philly Fed Index was a **different story**. It came in at 43.3 vs a median forecast of 18.0 and a previous reading of 23.6. That's the highest reading **since 1984!** (That's the year, not the book).



This report had the **biggest market moving potential** of the 3, and the fact that it beat so bigly suggests bond markets should be running for cover right now. While 10yr yields moved higher at first, they corrected back to pre-data levels just as quickly.

If bonds end up **absorbing** this sort of data and remaining green this morning, it would **say a lot** about the underlying bullishness that seems to keep coming into play as 10yr yields bounce in the mid 2.5's (i.e. we bounced at 2.53% yesterday and are now holding ground. Similarly, bonds bounced at 2.55% on January 26ths and then moved lower for several days.)

## MBS & Treasury Market Data

	Price / Yield	Change
MBS UMBS 6.0	100.40	<b>-0.15</b>
MBS GNMA 6.0	100.78	<b>+0.04</b>
10 YR Treasury	4.4223	<b>+0.0454</b>
30 YR Treasury	4.5610	<b>+0.0549</b>

Pricing as of: 5/17 5:59PM EST

## Average Mortgage Rates

	Rate	Change	Points
<b>Mortgage News Daily</b>			

30 Yr. Fixed	7.09%	<b>+0.07</b>	0.00
15 Yr. Fixed	6.56%	<b>+0.03</b>	0.00
30 Yr. FHA	6.62%	<b>+0.07</b>	0.00
30 Yr. Jumbo	7.35%	<b>+0.04</b>	0.00
5/1 ARM	7.30%	<b>+0.06</b>	0.00

### Freddie Mac

30 Yr. Fixed	7.02%	<b>-0.42</b>	0.00
15 Yr. Fixed	6.28%	<b>-0.48</b>	0.00

### Mortgage Bankers Assoc.

30 Yr. Fixed	7.08%	<b>-0.10</b>	0.63
15 Yr. Fixed	6.61%	<b>+0.01</b>	0.65
30 Yr. FHA	6.89%	<b>-0.03</b>	0.94
30 Yr. Jumbo	7.22%	<b>-0.09</b>	0.58
5/1 ARM	6.56%	<b>-0.04</b>	0.66

Rates as of: 5/17



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

