## Mortgage Market Update



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

## **UPDATE:** Bonds Surge on Trump/Powell Rumor

Another day, another vague newswire fueled by "people familiar with the matter."

Of course, it must be a Fed (musical) Chair headline:

TRUMP IS SAID TO LEAN TOWARD POWELL AS NEXT FED CHAIR

That is the source of the most recent surge in bond yields--"surge" being a relative term at the moment, because any small amount of buying feels like a surge in the recent context.

As we've noted, bond markets prefer Powell (stocks too for that matter, because Powell is viewed as more dovish with respect to monetary policy).

Here's the available portion of the underlying story for more context:

By Jennifer Jacobs

(Bloomberg) -- President Donald Trump is leaning toward appointing Federal Reserve Governor Jerome Powell to be the next chairman of the Fed, according to three people familiar with the matter.

The decision isn't yet final, the people cautioned, and Trump could change his mind at any time. Yet his preference for Powell dims current Fed Chair Janet Yellen's chances for a second term at the helm of the world's largest central bank.

This is the umpteenth time we've seen some iteration of sources cautioning reporters that "Trump could change his mind at any time."

Yeah, ya think?

Still, markets will take whatever they can get, because as we've discussed, the Fed Chairmanship is a big deal. Even if it's a groundless rumor, it's still worth trading a few bps into stronger territory. And that's all we have for now with 10yr yields down 2.9bps at 2.4337, still well short of the 2.42% we'd really need to break before allowing a bit more sunshine into our gloomy cave overlooking the landscape of bond market momentum.

MBS are up more than an eighth of a point since rate sheets, so lenders with hearts might throw out a token reprice if we hold these gains, but they'll have to stick around for a while for the average lender to consider it.

© 2024 MBS Live, LLC. - This mortgage market update is a service of MarketNewsletters.com and MBS Live.

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://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	100.40	-0.15
MBS GNMA 6.0	100.78	+0.04
10 YR Treasury	4.4223	+0.0454
<b>30 YR Treasury</b> Pricing as of: 5/17 5:59PM EST	4.5610	+0.0549

#### **Average Mortgage Rates**

	Rate	Change	Points
Mortgage News	Daily		
30 Yr. Fixed	7.09%	+0.07	0.00
15 Yr. Fixed	6.56%	+0.03	0.00
30 Yr. FHA	6.62%	+0.07	0.00
30 Yr. Jumbo	7.35%	+0.04	0.00
5/1 ARM	7.30%	+0.06	0.00
Freddie Mac			
30 Yr. Fixed	7.02%	-0.42	0.00
15 Yr. Fixed	6.28%	-0.48	0.00
Mortgage Banke	rs Assoc.		
30 Yr. Fixed	7.08%	-0.10	0.63
15 Yr. Fixed	6.61%	+0.01	0.65
30 Yr. FHA	6.89%	-0.03	0.94
30 Yr. Jumbo	7.22%	-0.09	0.58
5/1 ARM	6.56%	-0.04	0.66
Rates as of: 5/17			

## Mortgage Market Update

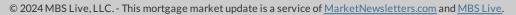


Subscribe to my newsletter online at: http://housingnewsletters.com/richhomeloans

# 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** 



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.