



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: Big Directional Moves All About Keeping Things Sideways

Volume swelled during the first 3 days of the week, culminating in yesterday's CPI/Fed combo and a fairly large move lower in rates. That's what we can observe about the **short-term**.

If we're looking at **longer-term** trends, however, yesterday's big directional move was all about keeping things sideways. The yields seen just before the CPI data were right in line with the highest since late October. The upper boundary of the consolidation trend was **clearly being pushed** and the rally that followed the data and the Fed clearly pushed back.



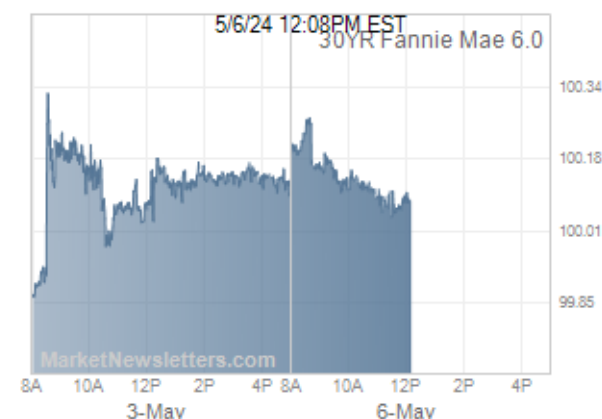
As the chart suggests, this makes the sideways momentum **even stronger**. At this point it's bordering on uncanny. If something other than "time" or the tax bill will challenge this sideways range, it has yet to present itself.

Today brings **Retail Sales** as the only top tier economic data. Given the current aloofness regarding econ data, it's not likely that this report alone can engender enough momentum to challenge either side of the trend. There's also the ECB (European Central Bank) press conference beginning shortly. Sometimes these will contain market moving clues, but just as often they run the risk of putting traders back to sleep.

MBS & Treasury Market Data

	Price / Yield	Change
MBS UMBS 6.0	100.08	0.00
MBS GNMA 6.0	101.06	+0.03
10 YR Treasury	4.4966	-0.0172
30 YR Treasury	4.6589	-0.0122

Pricing as of: 5/6 12:08PM EST



Average Mortgage Rates

	Rate	Change	Points
Mortgage News Daily			
30 Yr. Fixed	7.28%	-0.09	0.00
15 Yr. Fixed	6.75%	-0.07	0.00
30 Yr. FHA	6.70%	-0.12	0.00
30 Yr. Jumbo	7.48%	-0.07	0.00
5/1 ARM	7.35%	-0.07	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: 5/3

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

