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## Mortgage Rates Only Slightly Lower Despite Strong Bond Market

**Mortgage rates** are most directly affected by the day to day movement in the bond market. It's interesting to consider that bonds improved quite a bit today, even though mortgage rates were only modestly higher. In fact, some lenders continued showing rates that were roughly similar to yesterday's.

### What gives?!

Part of the problem is that yesterday saw bond markets fall (which implies higher rates) throughout the day, but **not enough** for many lenders to go to the trouble of changing their rate sheet offerings. As such, they were left to raise rates this morning, assuming the bond market stayed at yesterday afternoon's levels. But because bonds improved today, lenders didn't have to catch their rate sheets up to yesterday's bond market weakness.

In the afternoon, we saw a sort of **mirror image** of yesterday where bonds improved enough for some lenders to update rate sheets for the better, but this wasn't the case for many lenders. With that, the average remained a bit higher than it will be on Monday, assuming current bond market trading levels last until then. For what it's worth, that's not a risk that usually makes sense, but it's a bit less risky than normal today.

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## National Average Mortgage Rates



	Rate	Change	Points
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### Mortgage News Daily

30 Yr. Fixed	7.08%	-0.05	0.00
15 Yr. Fixed	6.45%	-0.02	0.00
30 Yr. FHA	6.55%	-0.05	0.00
30 Yr. Jumbo	7.25%	-0.04	0.00
5/1 ARM	7.07%	-0.03	0.00

### Freddie Mac

30 Yr. Fixed	6.86%	-0.01	0.00
15 Yr. Fixed	6.16%	+0.03	0.00

### Mortgage Bankers Assoc.

30 Yr. Fixed	7.03%	+0.09	0.62
15 Yr. Fixed	6.56%	+0.09	0.54
30 Yr. FHA	6.90%	+0.11	0.95
30 Yr. Jumbo	7.11%	-0.01	0.50
5/1 ARM	6.38%	+0.11	0.54

Rates as of: 7/3

## MBS and Treasury Market Data

	Price / Yield	Change
MBS UMBS 6.0	100.39	+0.19
MBS GNMA 6.0	100.53	+0.14
10 YR Treasury	4.3602	-0.0724
30 YR Treasury	4.5297	-0.0761

Pricing as of: 7/3 4:48PM EST