

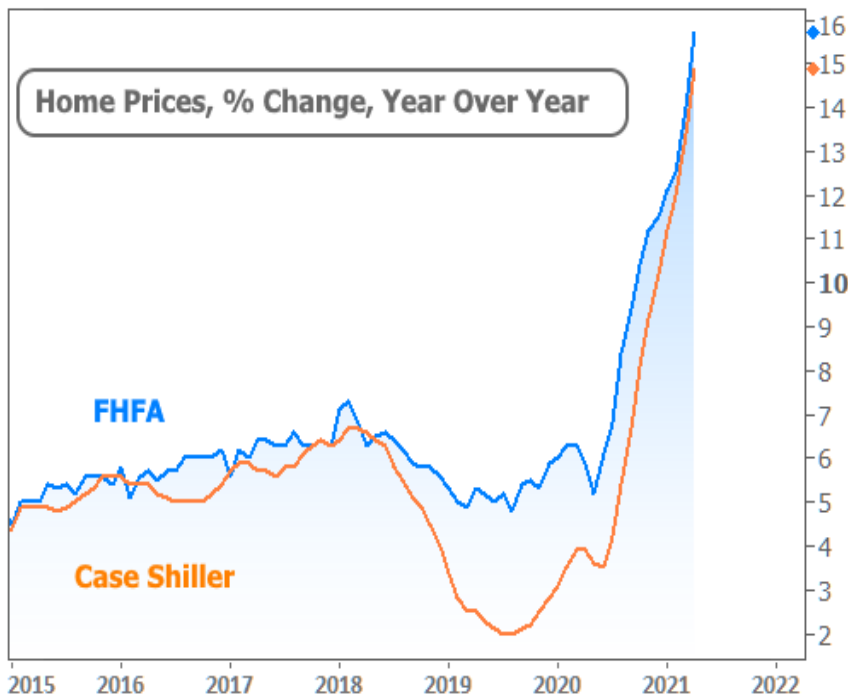


**Amit Gandhi, MBA, CAPP™, CWPP™**  
 VP | Financial Advisor | Mortgage Broker, 108 Capital Management | HBL  
 2500 NE Green Oaks Blvd. Ste 202A Arlington, Texas 76006

Office: 972-213-5368  
 Mobile: 972-213-5368  
 Fax: 855-940-1899  
[amit@108capitalmgmt.com](mailto:amit@108capitalmgmt.com)  
[View My Website](#)

## Rates Defy Jobs Report; No New 40yr Loan; Red Hot Home Prices

A heat wave on the west coast got national attention this week. Despite temps close to 120°, Tuesday's home price data was even hotter with both of the big reports telling the same story.



FHFA prices (nationwide) are increasing at a **record pace**. Case Shiller (20 major metro areas) price appreciation isn't quite back to its pre-mortgage-meltdown level.

## National Average Mortgage Rates



	Rate	Change	Points
<b>Mortgage News Daily</b>			
30 Yr. Fixed	6.89%	0.00	0.00
15 Yr. Fixed	6.33%	+0.01	0.00
30 Yr. FHA	6.33%	+0.01	0.00
30 Yr. Jumbo	7.05%	0.00	0.00
5/1 ARM	6.58%	0.00	0.00
<b>Freddie Mac</b>			
30 Yr. Fixed	6.77%	-0.09	0.00
15 Yr. Fixed	6.05%	-0.11	0.00

Rates as of: 7/22

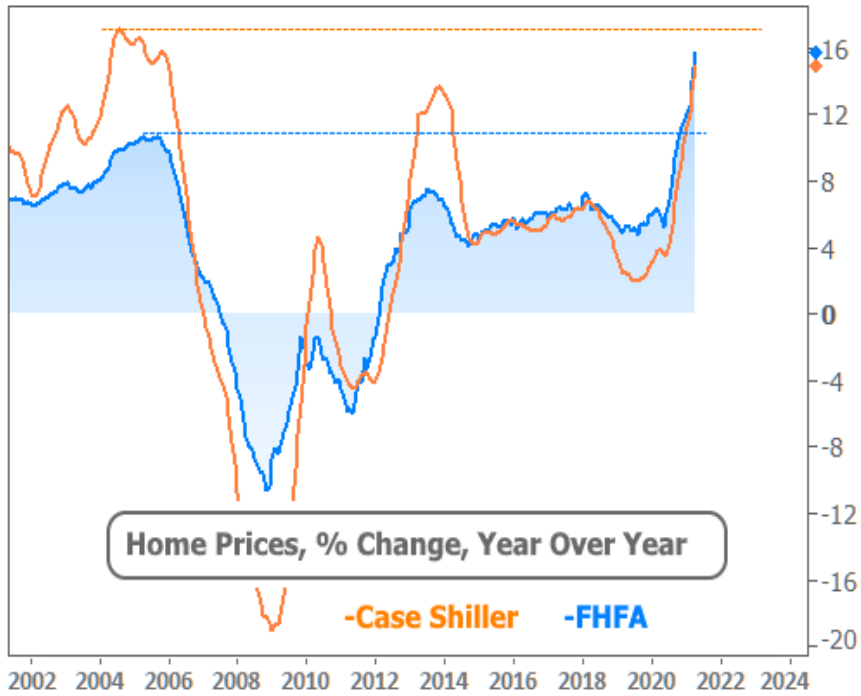
## Market Data

	Price / Yield	Change
MBS UMBS 5.5	99.39	-0.01
MBS GNMA 5.5	99.78	+0.00
10 YR Treasury	4.2540	+0.0015
30 YR Treasury	4.4725	0.0000

Pricing as of: 7/23 2:58AM EST

## Recent Housing Data

		Value	Change
Mortgage Apps	Jul 10	206.1	-0.19%
Building Permits	Mar	1.46M	-3.95%
Housing Starts	Mar	1.32M	-13.15%
New Home Sales	Mar	693K	+4.68%
Pending Home Sales	Feb	75.6	+1.75%
Existing Home Sales	Feb	3.97M	-0.75%
Builder Confidence	Mar	51	+6.25%

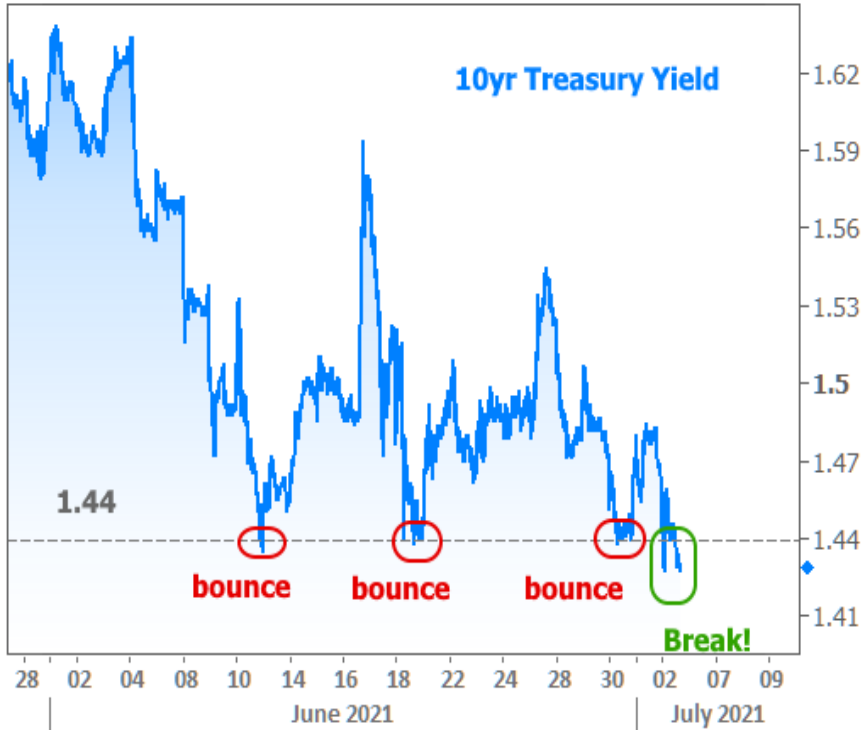


**How hot is too hot?** That depends. Prices can't continue this pace indefinitely, but many people said the same thing late last year only to regret not pulling the trigger.

Some recent sales numbers cast doubt on buyers' willingness to chase these prices, but now this week's Pending Home Sales report shows that May was **one of the best months** on record.

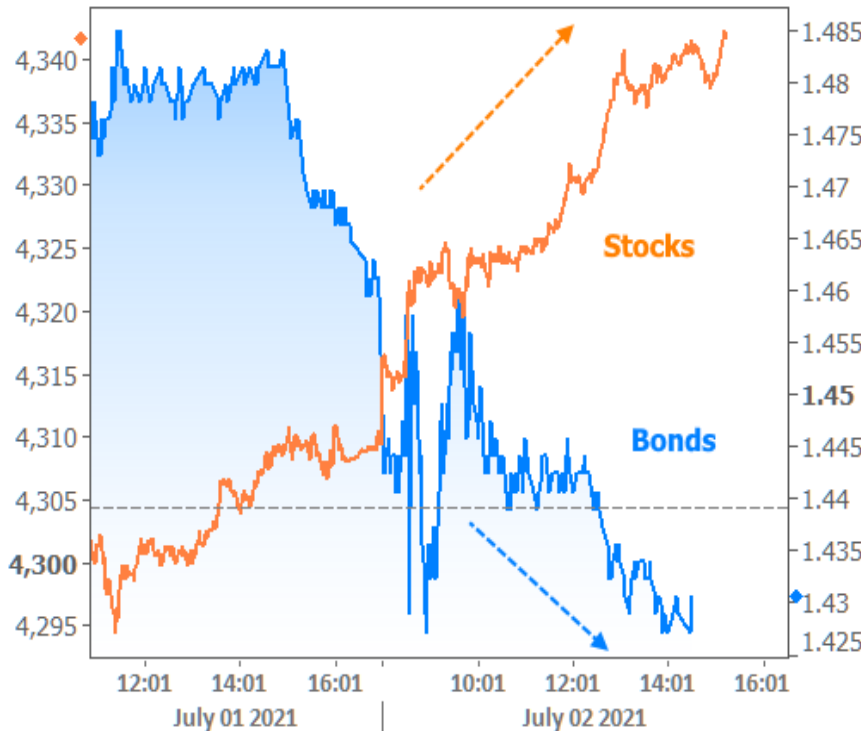


Rates had a good week, with most lenders at or near their best levels since mid June at the very least. 10yr Treasury yields trickled to their best levels in months by Friday afternoon after managing to break the 1.44% floor that had turned away several recent attempts.



That's a **surprising outcome** given the strong reading in the latest official jobs report on Friday. It shouldn't be too surprising, though, given that the Fed has clearly stated it wants to see how the data looks this fall before making any big decisions about its rate-friendly policies.

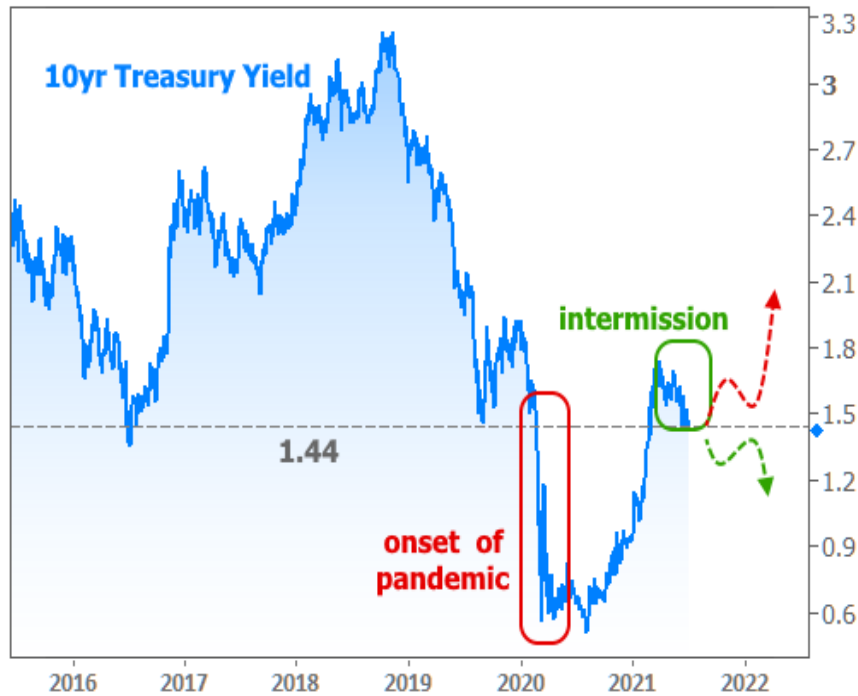
Indeed, the mirror image of stock prices and bond yields is often the result of a market betting on a friendly Fed.



The other way to look at it would be to consider there's **still a long way to go** before the labor market is back to pre-covid levels.



As the data rolls in later this year, bonds will be **faced with the choice** to double down on the "friendly Fed" bets or to proceed with the rising rate reality that seemed to be much more of a sure thing at the end of last year. For now, the intermission continues.



Last but not least, there were a few confusing news stories this week that made it seem like the FHA announced a new 40-year loan. **It didn't**. It was a behind-the-scenes change for the government agency that guarantees FHA/VA loans that will allow lenders better access to liquidity in cases where they've had to **MODIFY** existing 30yr loans by increasing the term.

Subscribe to my newsletter online at: <http://housingnewsletters.com/amitgandhi>

## Recent Economic Data

Date	Event	Actual	Forecast	Prior
<b>Tuesday, Jun 29</b>				
9:00AM	Apr CaseShiller 20 yy (%)	14.9	14.5	13.3
9:00AM	Apr Monthly Home Price yy (%)	15.7		13.9
10:00AM	Jun Consumer confidence	127.3	119.0	117.2
<b>Wednesday, Jun 30</b>				
7:00AM	w/e MBA Purchase Index	255.2		268.0
7:00AM	w/e MBA Refi Index	2856.6		3110.3
8:15AM	Jun ADP National Employment (k)	692	600	978
9:45AM	Jun Chicago PMI	66.1	70.0	75.2
10:00AM	May Pending Sales Index	114.7		106.2
10:00AM	May Pending Home Sales (%)	8.0	-0.8	-4.4
<b>Thursday, Jul 01</b>				
7:30AM	Jun Challenger layoffs (k)	20.476		24.586
8:30AM	w/e Jobless Claims (k)	364	355	411
10:00AM	Jun ISM Manufacturing PMI	60.6	61.0	61.2
10:00AM	May Construction spending (%)	-0.3	0.4	0.2
<b>Friday, Jul 02</b>				
8:30AM	Jun Average earnings mm (%)	0.3	0.4	0.5
8:30AM	Jun Non-farm payrolls (k)	850	700	559
8:30AM	Jun Unemployment rate mm (%)	5.9	5.7	5.8
10:00AM	May Factory orders mm (%)	1.7	1.6	-0.6
<b>Monday, Jul 05</b>				
12:00AM	Independence Day			
<b>Tuesday, Jul 06</b>				
10:00AM	Jun ISM N-Mfg PMI	60.1	63.5	64.0
10:00AM	Jun ISM N-Mfg Bus Act	60.4	66.4	66.2
<b>Wednesday, Jul 07</b>				
7:00AM	w/e MBA Purchase Index	252.4		255.2
7:00AM	w/e MBA Refi Index	2791.3		2856.6
<b>Thursday, Jul 08</b>				
3:00PM	May Consumer credit (bl)	35.28	18.40	18.61
<b>Friday, Jul 09</b>				
10:00AM	May Wholesale inventories mm (%)	1.3	1.1	1.1

## Event Importance:

No Stars = Insignificant

☆ Low

★ Moderate

★★ Important

★★★ Very Important

## Mortgage Market Newsletter

This is one of the most insightful resources when following the mortgage market news. If you have any questions, please feel free to contact me directly,

if you feel you have received this email in error, please let me know, and I will PERSONALLY ensure you are removed from any future communication.

This email is for educational purposes only and to establish relationships with like-minded individuals like yourself!

I hope to chat with you soon,

Amit Gandhi  
Mortgage Broker | Financial Advisor  
Direct: (972) 213-5368 (Text friendly)

**Amit Gandhi, MBA, CAPP™, CWPP™**

