

Ben Nelson
Branch Manager, Synergy One Lending
NMLS#1392905
125 Lynx Ave Aumsville, OR 97325

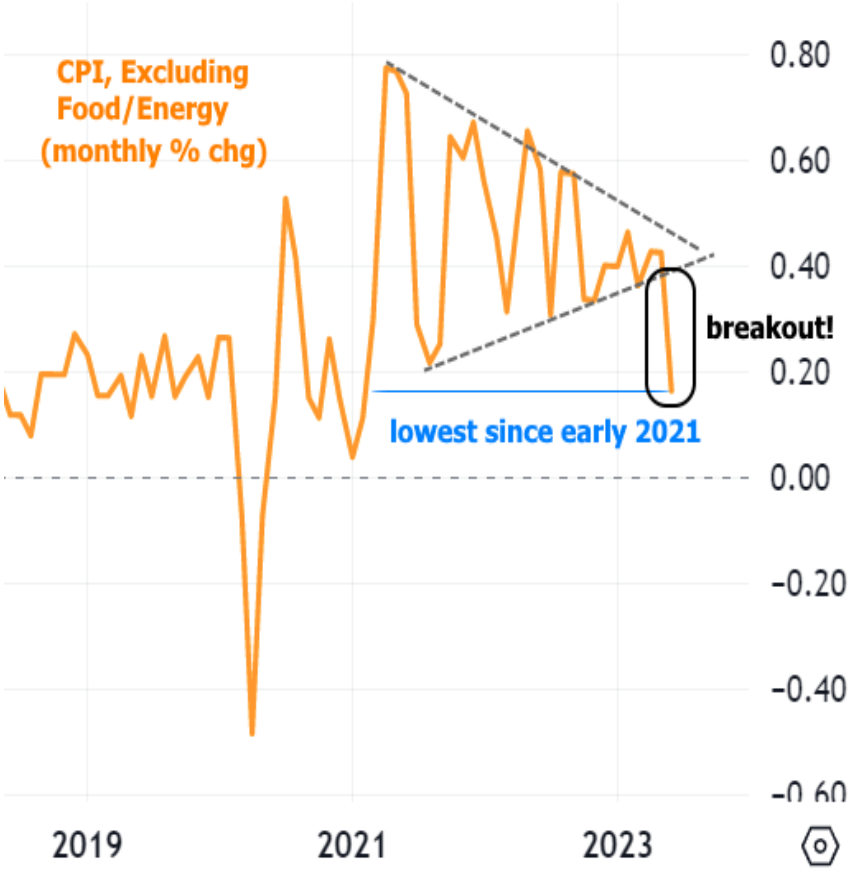
Office: 5039109872
Mobile: 5039109872
bnelson@s1l.com
View My Website

Rates Recover Rapidly After Inflation Data

Mortgage rates spiked abruptly last week after several economic reports showed the economy doing better than expected. Now this week, key inflation data showed prices falling faster than expected. Rates responded with a full recovery.

If rates could only choose one thing to be afraid of, it would be inflation. Rates are based on bonds. Bonds offer investors a fixed schedule of cash flow. Over time, inflation can make that cash buy much less "stuff" than it did at first. Investors compensate by demanding higher rates of return, and that is essentially the short version of the great post-covid rate spike.

Up until this week, the most closely-watched inflation metric had been consolidating in an increasingly narrow, sideways pattern, but still at elevated levels. While it's only one month of data, this is the promising breakout that fans of low rates have been hoping to see. In one fell swoop, the monthly pace of inflation is back at the lowest levels since early 2021.



National Average Mortgage Rates



Mortgage News Daily	Rate	Change	Points
30YR Fixed	7.26%	-0.06	0.00
15YR Fixed	6.82%	-0.05	0.00
30YR FHA	6.95%	0.00	0.00
30YR Jumbo	7.40%	-0.02	0.00
7/6 SOFR	6.60%	-0.10	0.00
30YR VA	6.96%	-0.01	0.00

Rates as of: 11/25

MBS and Treasury

	Price / Yield	Change
MBS UMBS 6.0	99.88	+0.29
10 YR Treasury	4.8590	-0.0677
30 YR Treasury	5.2479	-0.0735

Pricing as of: 11/25 5:59PM EST

Recent Housing Data

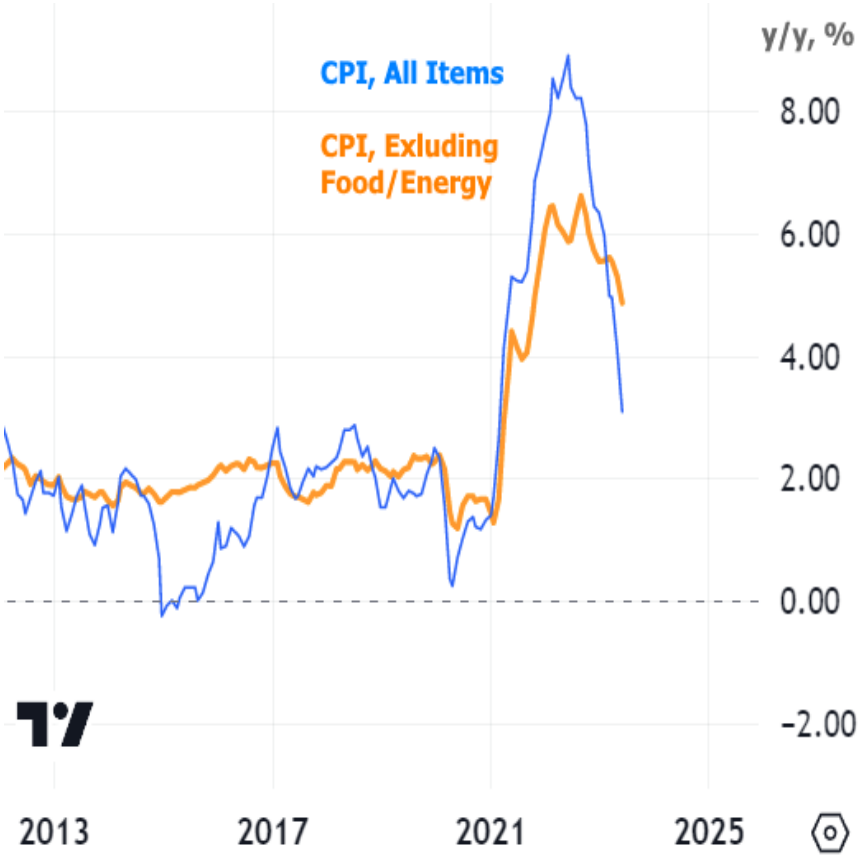
		Value	Change
Mortgage Apps	Nov 11	199.8	-2.35%
Building Permits	Oct	1.3M	-7.5%
Housing Starts	Oct	1.31M	+7.21%
New Home Sales	Sep	676K	-1.17%
Pending Home Sales	Oct	63	-4.69%
Existing Home Sales	Oct	3.99M	+0.25%
Builder Confidence	Nov	25	-13.79%

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

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/ben-nelson

Year-over-year inflation is also looking good, especially when energy and food prices are factored into the mix (blue line below):



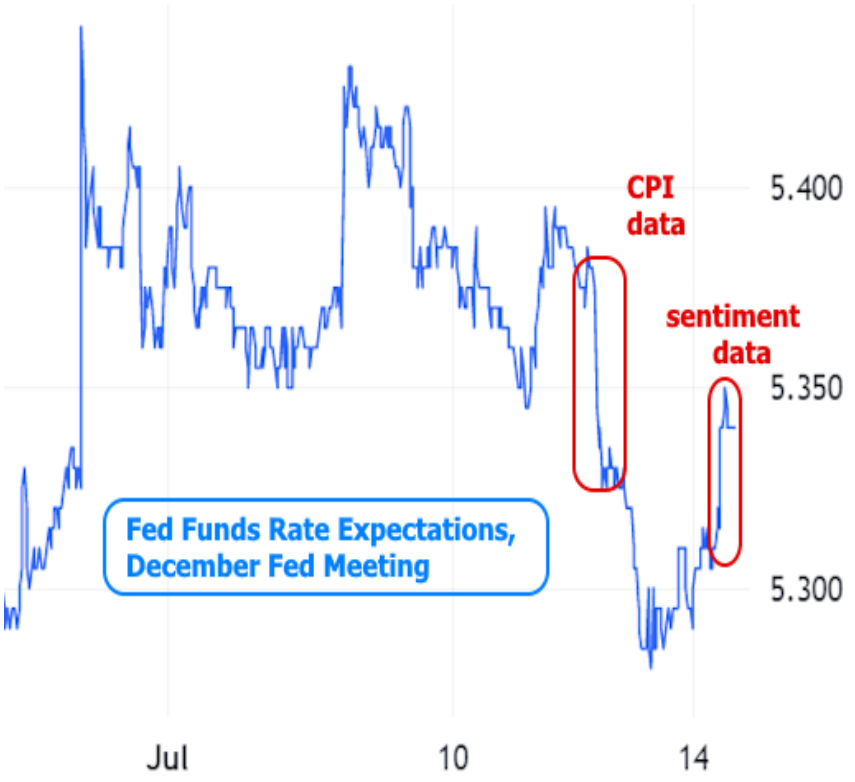
The chart above illustrates the predicament for policymakers. The Fed sets short term rates in an attempt to constrain the economy and push inflation back to an annual pace of 2%. They focus on core inflation (orange line). As seen in the chart, we're still quite a ways from 2%, and it will take another year of reports like the one we just saw before we're back in that range. So the Fed has to decide if the current level of the Fed Funds Rate is enough to get us there with certainty.

On that note, the market expects the Fed to hike at least one more time in 2 weeks, but then to be even more heavily dependent on economic data. Looking ahead to the market expectations for the December Fed meeting, we can already see the Consumer Sentiment data push back against the positive impact from CPI.

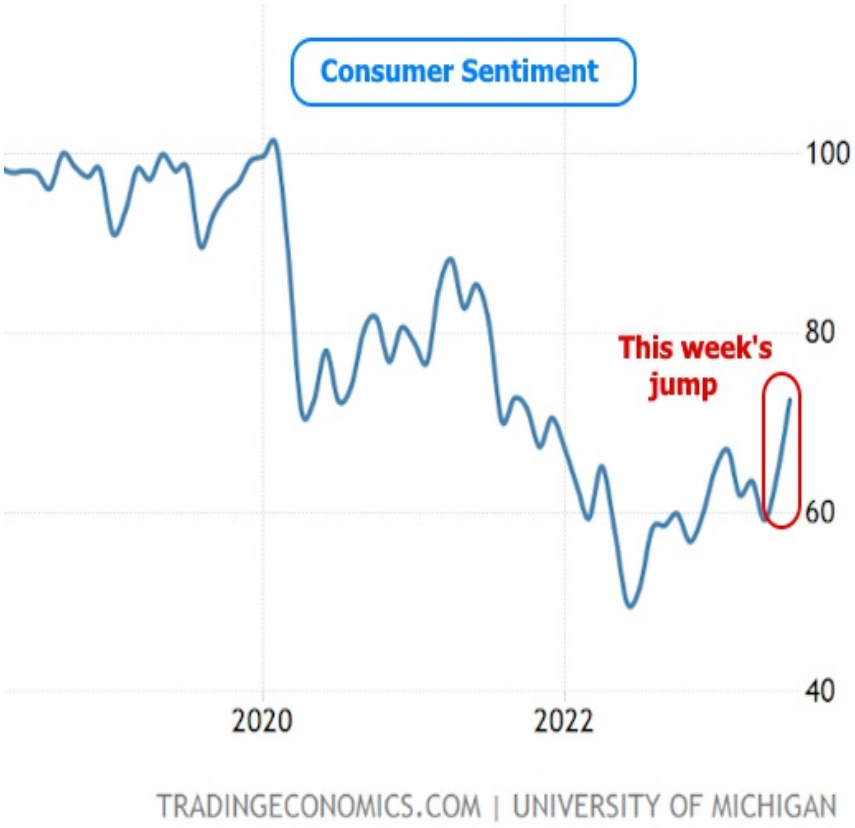
© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

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/ben-nelson



Consumer Sentiment normally doesn't compete with CPI when it comes to impacting rates, but this week's report was very strong.

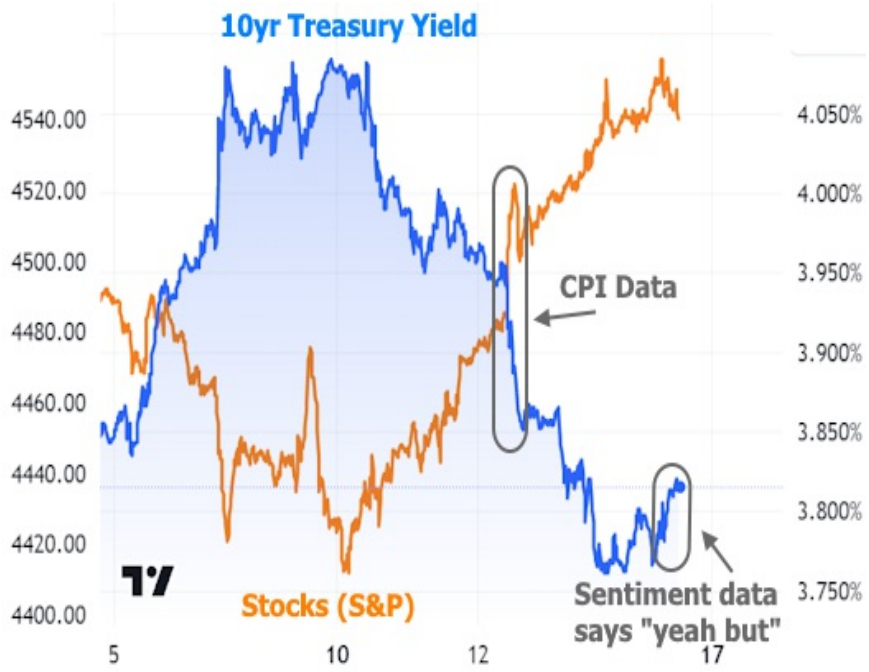


© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

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/ben-nelson

Longer term rates like 10yr Treasury yields followed a similar path to the Fed's rate hike outlook this week, but they were more interested in the inflation data and less sensitive to the "yeah but" offered by the Consumer Sentiment data. Stocks were also more focused on CPI (and its implications for a friendlier Fed... a rising tide that tends to help stocks and bonds simultaneously).



In the bigger picture, yields are still very much in a holding pattern, but have notably made it back below the 3.84% level that had acted as a consistent ceiling up until last week.

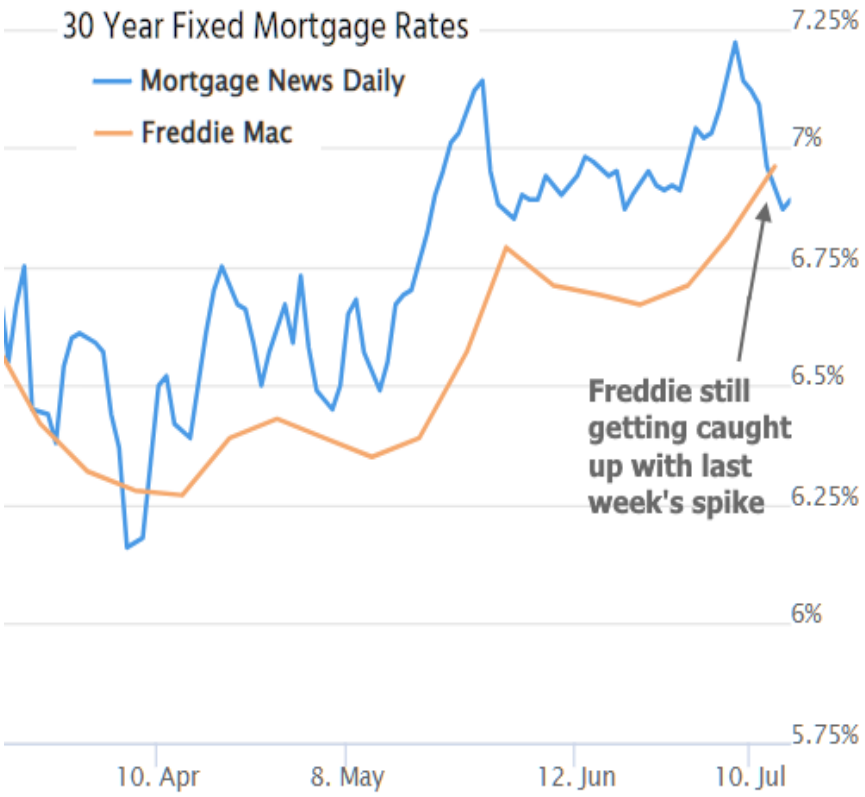


© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

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/ben-nelson

Speaking of last week, the rate spike resulted in the Freddie Mac mortgage rate index jumping much higher this week, but don't be alarmed. Freddie takes an average of the trailing 5 days. In terms of actual daily averages, rates fell sharply during the first four days of the week, and avoided losing too much ground on Friday.



Looking ahead, we're in a bit of a summertime lull next week with none of the massively important economic reports seen over the past 2 weeks. It will also be the "blackout period" for the Fed. That refers to the 12 days leading up to a Fed announcement where Fed speakers abstain from commenting on policy. As such, the market sometimes speculates a bit more than it otherwise would about what the Fed is thinking, but that's typically a bigger risk when the blackout period coincides with highly consequential data. Either way, this week's gains are merely a start. It will take several more weeks--if not months--of economic data to conclusively shift rate momentum in a friendly direction.

Subscribe to my newsletter online at: http://housingnewsletters.com/ben-nelson

Recent Economic Data

Date	Event	Actual	Forecast	Prior
Monday, Jul 10				
3:00PM	May Consumer credit (bl)	$7.24B	$20.25B	$20.32B
Tuesday, Jul 11				
6:00AM	Jun NFIB Business Optimism Index	91	89.9	89.4
Wednesday, Jul 12				
7:00AM	Jul/07 MBA Refi Index	416		421.3

Event Importance:

No Stars = Insignificant
☆ Low
★ Moderate
★★ Important
★★ Very Important

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

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/ben-nelson

Date	Event	Actual	Forecast	Prior
7:00AM	Jul/07 MBA Purchase Index	165.3		162.4
8:30AM	Jun m/m Headline CPI (%)	0.2%	0.3%	0.1%
8:30AM	Jun y/y Headline CPI (%)	3%	3.1%	4%
8:30AM	Jun y/y CORE CPI (%)	4.8%	5%	5.3%
8:30AM	Jun m/m CORE CPI (%)	0.2%	0.3%	0.4%
Thursday, Jul 13				
8:30AM	Jul/08 Jobless Claims (k)	237K	250K	249K
8:30AM	Jun Core Producer Prices MM (%)	0.1%	0.2%	0.1%
8:30AM	Jun Core Producer Prices YY (%)	2.4%	2.6%	2.6%
Friday, Jul 14				
10:00AM	Jul Consumer Sentiment (ip)	72.6	65.5	64.4
Monday, Jul 17				
8:30AM	Jul NY Fed Manufacturing	1.1	-4.3	6.6
Tuesday, Jul 18				
8:30AM	Jun Retail Sales (%)	0.2%	0.5%	0.5%
9:15AM	Jun Industrial Production (%)	-0.5%	0%	-0.5%
10:00AM	May Business Inventories (%)	0.2%	0.2%	0.1%
10:00AM	Jul NAHB housing market indx	56	56	55
Wednesday, Jul 19				
7:00AM	Jul/14 MBA Refi Index	446.4		416
7:00AM	Jul/14 MBA Purchase Index	163.2		165.3
8:30AM	Jun Housing starts number mm (ml)	1.434M	1.48M	1.559M
8:30AM	Jun Building permits: number (ml)	1.44M	1.49M	1.496M
8:30AM	Jun House starts mm: change (%)	-8%		15.7%
8:30AM	Jun Build permits: change mm (%)	-3.7%		5.6%
Thursday, Jul 20				
8:30AM	Jul/15 Jobless Claims (k)	228K	242K	237K
8:30AM	Jul Philly Fed Business Index	-13.5	-10	-13.7
10:00AM	Jun Existing home sales (ml)	4.16M	4.2M	4.3M
10:00AM	Jun Exist. home sales % chg (%)	-3.3%		0.2%

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

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/ben-nelson

Speed, Ease & Expertise

In my 8th year of mortgage lending I am still looking for ways to improve my business for clients and referral partners. Even though our industry is ever-changing, my goals have stayed consistent. For clients, I want to make the process of purchasing their home an enjoyable one for them. I do this by being highly available by phone, email or in person from morning to night and having the fastest response time in the industry. I want my clients to be well educated on their loan options so they feel confident about their mortgage before and after purchasing their home. I want referral partners to know they can trust in me to handle everything on the loan side of things so they can focus their time on what they do best, Real Estate. I have excellent systems in place for communication to keep everyone involved in the purchase updated. I feel grateful to be in this industry, and take a great amount of pride in people counting on me for their biggest purchase of their lives!

Ben Nelson 

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

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/ben-nelson