Black Diamond
Mortgage Professionals, Black Diamond Mortgage Corporation
NMLS 209137
307 Spokane Ave, Suite 103 Whitefish, MT 59937

Office: 4068624999
david@blackdiamondmortgage.com
View My Website

Let's Put "Weaker" Home Sales in Perspective

Two key home sales reports came out this week. Both were weaker than expected. But that **doesn't** mean the housing market is weakening. In fact, the housing market is doing rather well, all things considered.

I'm not here to make unfounded claims about strength in housing. Indeed, there's no getting around the fact that both Existing and New Home Sales were **lower** month-over-month and below the median forecast in both cases. I'd simply like to put this weakness in context.

When it comes to home sales data or any other economic data, it would be **tremendously unlikely** to see a series of "stronger than expected" results without a **periodic pull-back**. We've been looking forward to a healthy run of stronger results since February (see the Feb 15th Newsletter that laid this out HERE).

If we understand and accept that resilience and improvement rarely occur in a straight line, everything has proceeded largely as expected. As the chart in that previous newsletter suggested, the subsequent home sales data has been much stronger. In fact, with respect to Existing Home Sales specifically, February's numbers were arguably **too hot** compared to January's. The two reports since then (with April's numbers being released this week), have been **right in line** with a very comfortable and familiar 5.2 million unit annual pace.

National Average Mortgage Rates



Mortgage News Daily	Rate	Change	Points
30YR Fixed	7.42%	+0.12	0.00
15YR Fixed	7.00%	+0.08	0.00
30YR FHA	7.00%	+0.11	0.00
30YR Jumbo	7.46%	+0.06	0.00
7/6 SOFR	7.05%	+0.25	0.00
30YR VA	7.01%	+0.11	0.00

Rates as of: 11/12

MBS and Treasury

	Price / Yield	Change
MBS UMBS 6.0	98.73	-0.03
10 YR Treasury	5.1474	+0.0178
30 YR Treasury	5.4763	+0.0215

Pricing as of: 11/13 9:12AM EST

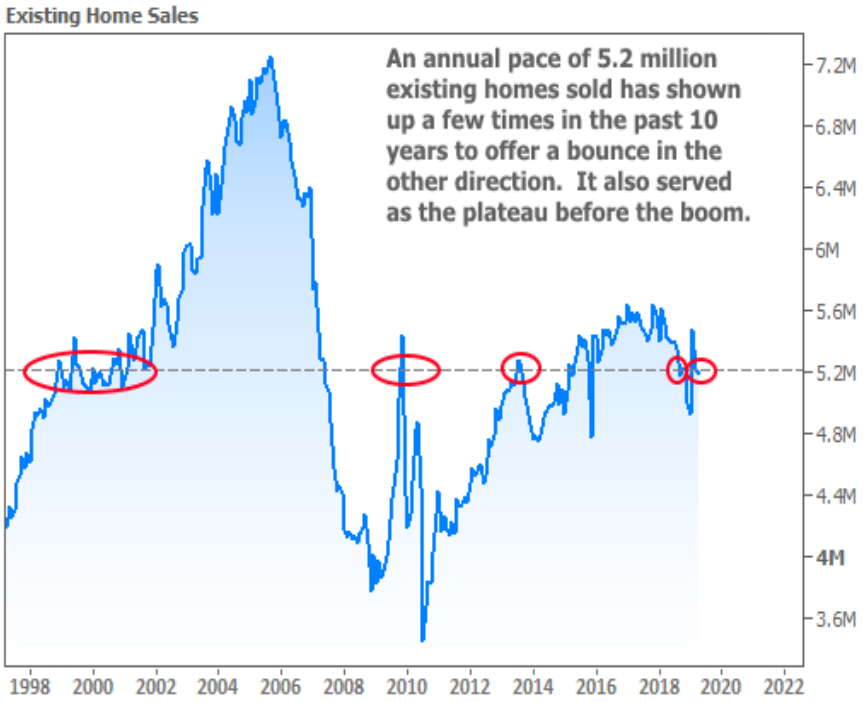
Recent Housing Data

		Value	Change
Mortgage Apps	Oct 28	192.6	-1.23%
Building Permits	Sep	1.4M	+0.43%
Housing Starts	Sep	1.22M	-4.24%
New Home Sales	Sep	676K	-1.17%
Pending Home Sales	Aug	71.2	0%
Existing Home Sales	Oct	3.99M	+0.25%
Builder Confidence	Oct	29	-9.38%

© 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/blackdiamondmortgage



The counterpoints available to us in discussing New Home Sales are **even more definitive**. While it's true that New Home Sales "unexpectedly fell" this week, it's important to notice **where they fell FROM**. Last month's reading was the **highest** of the post-crisis housing recovery. Perhaps just as telling is the fact that this week's reading was the 3rd highest in the same time frame.



Long story short: housing metrics may have been weaker this week, but they're much stronger than they were several months ago, and in relatively strong territory in the bigger picture.

© 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.

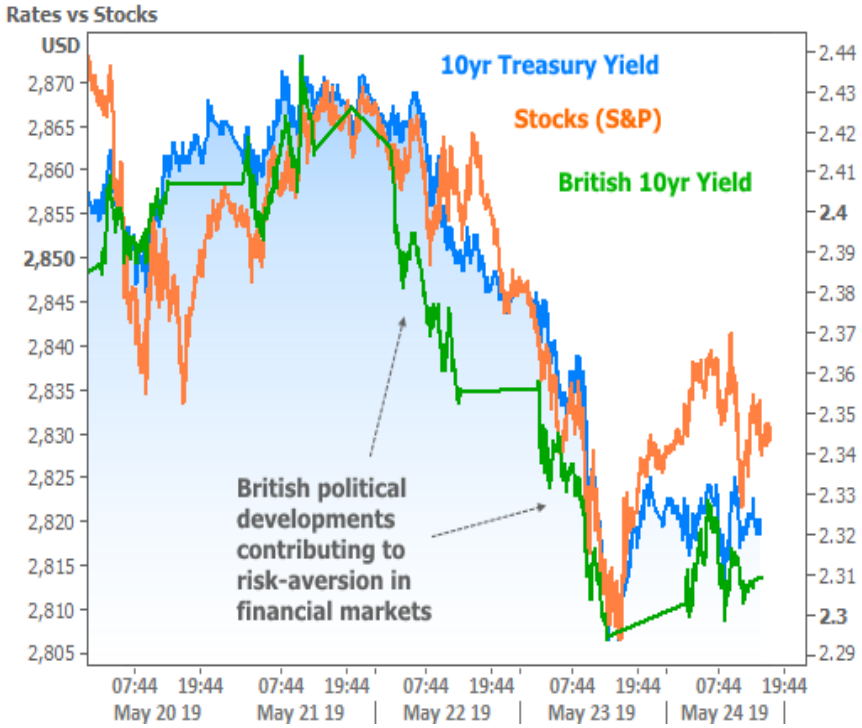
Read or subscribe to my newsletter online at: http://housingnewsletters.com/blackdiamondmortgage

Beyond the sales numbers themselves, other housing-related indicators help build perspective. Among those indicators, **mortgage rates** stood out this week due to their drop to the **lowest levels in well over a year** (this depends on the lender as some were not quite back to late March lows while others were lower).

The drop in rates came courtesy of several developments that promoted **risk-aversion** in financial markets. In general, risk-aversion can be seen when investors are selling riskier assets like stocks and buying safer haven assets like bonds. Bond buying, in turn, pushes interest rates lower.

One of this week's standout narratives was that of **political upheaval in The UK**. Prime Minister Theresa May made a risky decision to broach the topic of reopening the Brexit referendum (pending certain prerequisites) in an attempt to gain support for her compromise plan. It **backfired** tremendously with the consequence being her resignation, effective June 7th.

British politics don't directly dictate US financial market trading levels. On the other hand, London is one of the world's largest and most important financial centers. The UK is also a critical trading partner of the EU. Together, their economies have an **important impact** on the global economy--big enough that uncertainty in The UK has global financial implications. Markets can't be certain of those implications, but traders have to do something to account for them. This week, that took the shape of risk-aversion.



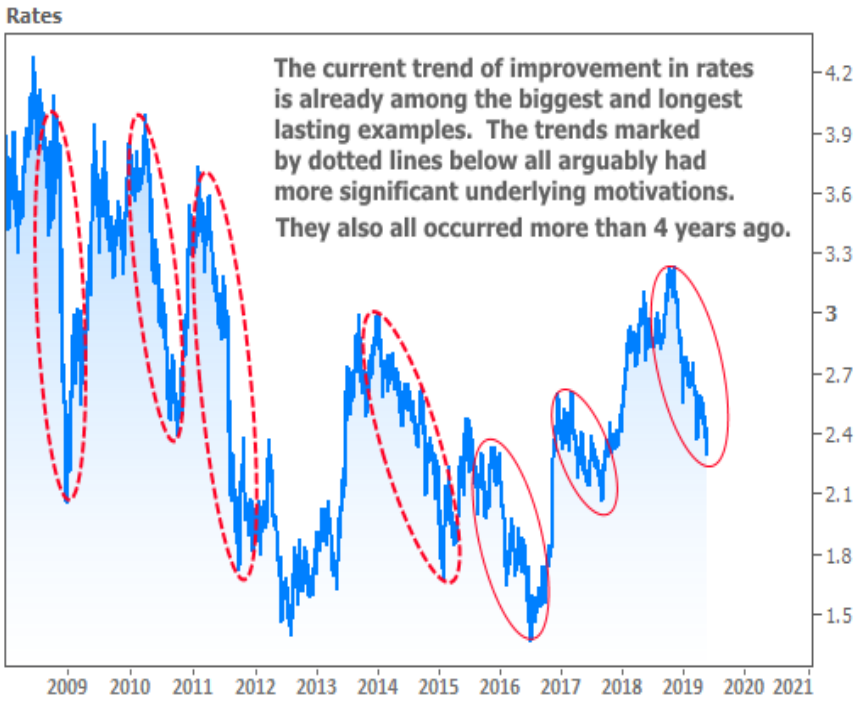
Risk aversion was also buoyed by ongoing trade war fears and weak domestic economic data. With a 3-day weekend ahead and a light calendar of scheduled data next week, we're likely **waiting until the first week of June** before seeing just how willing markets are to react to a full slate of economic reports.

Of course, the results of those economic reports will be important, but even then, **some caution is warranted** simply because the longer-term rally in rates is big enough that we might worry about its longevity. The following chart shows the biggest rally trends in 10yr Treasury yields (a proxy for movement in longer-term rates like mortgages). At no point in the past 4 years have we seen a move as big as the current trend. That's not to say it couldn't get even bigger--simply that we should be ready to observe and react to any potential signs of a shift.

© 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/blackdiamondmortgage



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

Recent Economic Data

Date	Event	Actual	Forecast	Prior
Tuesday, May 21				
10:00AM	Apr Existing home sales (ml)	5.19	5.35	5.21
10:00AM	Apr Exist. home sales % chg (%)	-0.4	2.7	-4.9
Wednesday, May 22				
7:00AM	w/e Mortgage Refinance Index	1334.9		1232.6
7:00AM	w/e MBA Purchase Index	263.0		268.5
2:00PM	FOMC Minutes			
Thursday, May 23				
8:30AM	w/e Jobless Claims (k)	211	215	212
10:00AM	Apr New home sales-units mm (ml)	0.673	0.675	0.692
10:00AM	Apr New home sales chg mm (%)	-6.9	-2.8	4.5
Friday, May 24				
8:30AM	Apr Durable goods (%)	-2.1	-2.0	2.6
Tuesday, May 28				
9:00AM	Mar CaseShiller 20 yy (%)	+2.7	2.6	3.0
10:00AM	May Consumer confidence	134.1	130.0	129.2
11:30AM	2-Yr Note Auction (bl)	40		

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/blackdiamondmortgage

Date	Event	Actual	Forecast	Prior
1:00PM	5-Yr Note Auction (bl)		41	
Wednesday, May 29				
7:00AM	w/e Mortgage Refinance Index	1255.4		1334.9
7:00AM	w/e MBA Purchase Index	259.4		263.0
1:00PM	7-Yr Note Auction (bl)	32		
Thursday, May 30				
8:30AM	Q1 GDP Prelim (%)	3.1	3.1	3.2
8:30AM	w/e Jobless Claims (k)	215	215	211
10:00AM	Apr Pending Home Sales (%)	-1.5	0.9	3.8
10:00AM	Apr Pending Sales Index	104.3		105.8
Friday, May 31				
8:30AM	Apr Personal Income (%)	+0.5	0.3	0.1
8:30AM	Apr Core PCE Inflation (y/y) (%)	+1.6	1.6	1.6
9:45AM	May Chicago PMI	54.2	53.7	52.6
10:00AM	May Consumer Sentiment (ip)	100.0	101.5	102.4

Enjoy your free mortgage news from Black Diamond Mortgage!

Visit us at www.blackdiamondmortgage.com for more information or contact us for the latest!

We have great videos on Youtube! https://www.youtube.com/channel/UCXrbRfaT4kIHjX0P3ovelnA

Black Diamond

© 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/blackdiamondmortgage