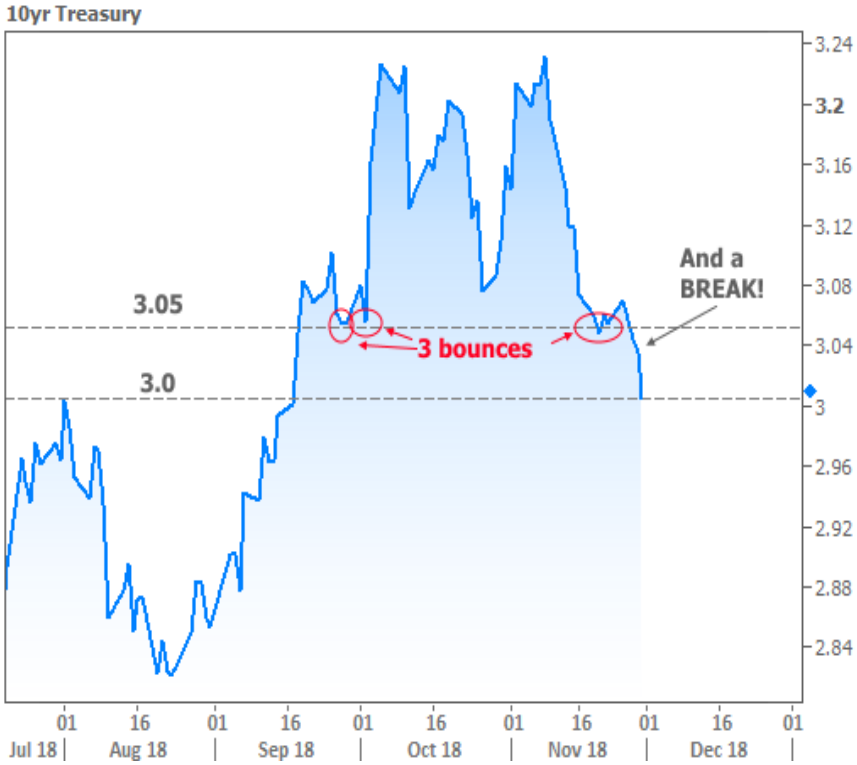
Black Diamond
Mortgage Professionals, Black Diamond Mortgage Corporation
NMLS 209137
307 Spokane Ave, Suite 103 Whitefish, MT 59937

Office: 4068624999
david@blackdiamondmortgage.com
View My Website

Are The Highest Interest Rates Behind Us?

Relative to the last 2 years of pain for rates, a **sense of hope** has emerged, seemingly overnight, as the 10yr Treasury yield (an important benchmark for longer-term rates like mortgages) broke through a key level.

3.05% had **consistently blocked** the advance of falling rates for more than 2 months. The most recent bounce happened just last week. Breaking through sets us up to challenge the big psychological barrier at 3.0%.



The catalyst for the late week surge was a **speech by Fed Chair Jerome Powell.** The Fed sets monetary policies that can have a direct impact on rates. Those policies are largely a function of objective economic data, but there is some room for interpretation.

The Fed's interpretation has arguably been fairly balanced over the past few years. On the one hand, they've been hiking at a much slower pace compared to past cycles. On the other hand, they've been hiking **regularly** and their outlook has clearly called for those hikes to **continue** well into 2019.

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	98.68	-0.08
10 YR Treasury	5.1591	+0.0295
30 YR Treasury	5.4850	+0.0302

Pricing as of: 11/13 9:24AM 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.

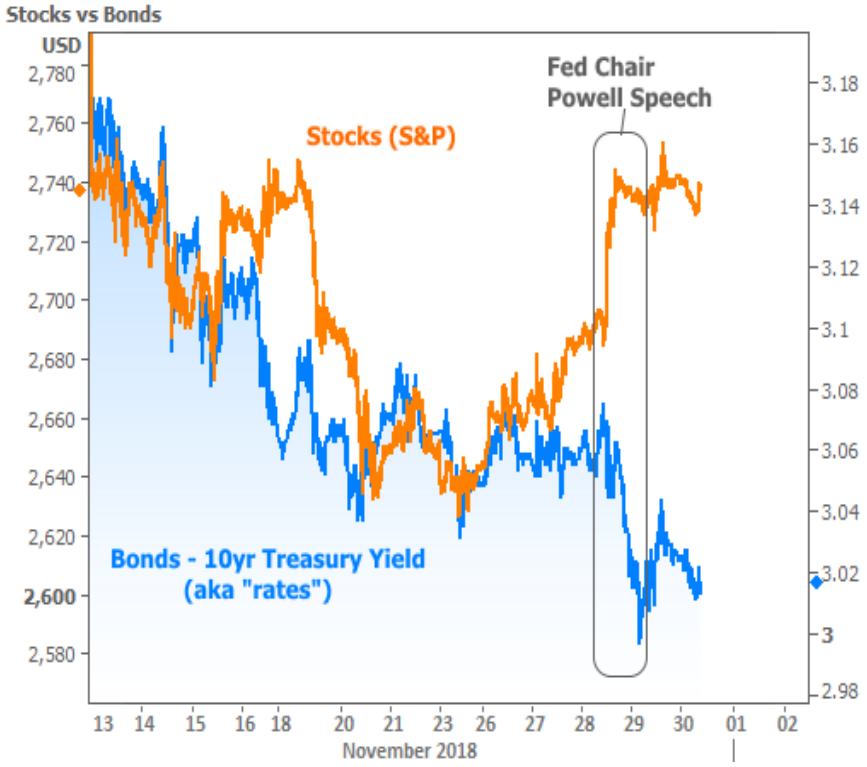
The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

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

Powell's speech upset the balance as far as many investors were concerned. Back in October, Powell said rates were "a long way from neutral, probably" before adding that the Fed may even raise rates past neutral (a level that neither promotes or discourages economic growth). He'd been sticking to that script regularly **until this week** when he said rates are now "just below" neutral.

Beyond the comment on rates, Powell also noted that the Fed's rate hike outlook is **no guarantee** of a policy path (translation: they might not end up hiking as much as anticipated). The determining factor in that policy path will be economic data. On that topic, Powell said the Fed "will be paying very close attention."

Stocks and bonds both seized on the **apparent shift** in tone from the Fed Chair. In general, when the Fed is perceived as less likely to hike rates, both sides of the market rally. That can be seen in the following chart with stocks surging and rates falling.



Combined with the positive move in rates that began 3 weeks ago, a sense of hope seems to be returning to the bond market. Keep in mind that at least **some** of that "hope" will come at the **expense** of stocks and the economy. After all, rates tend to fall when the economy is weak.

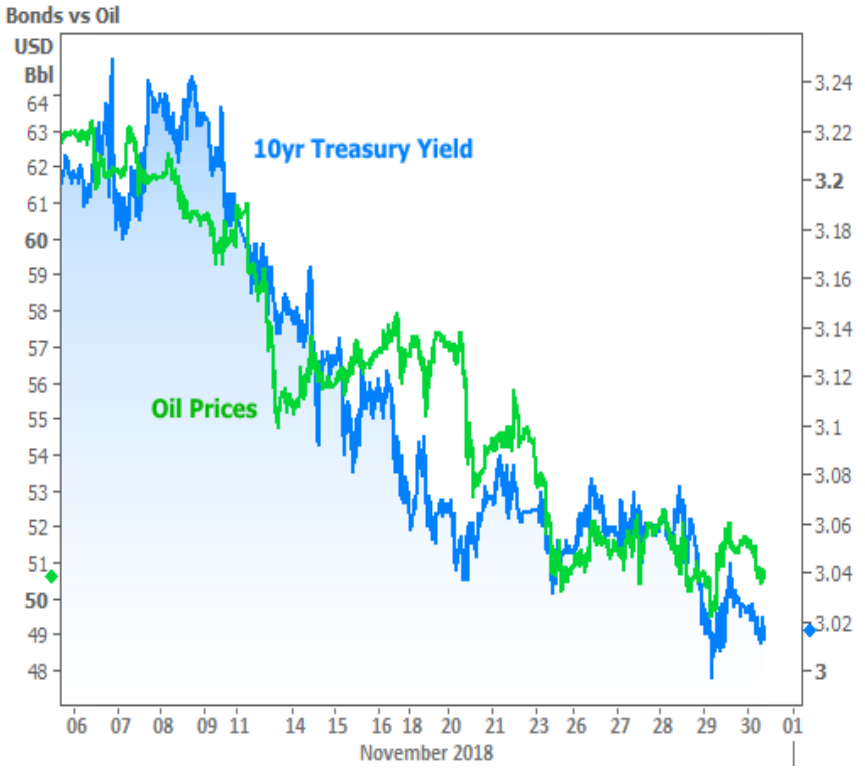
© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

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



You might notice that the blue line (bonds) was more willing to move lower than the orange line (stocks) in November. Of course we just discussed the Powell effect, but well before Powell's speech, we can see bonds setting "lower lows" even as stocks try to hold the same defensive floor. One potential reason is **weakness in oil prices**. Oil has a bearing on inflation, and inflation has a bearing on bonds. Falling oil prices can add downward pressure on rates.



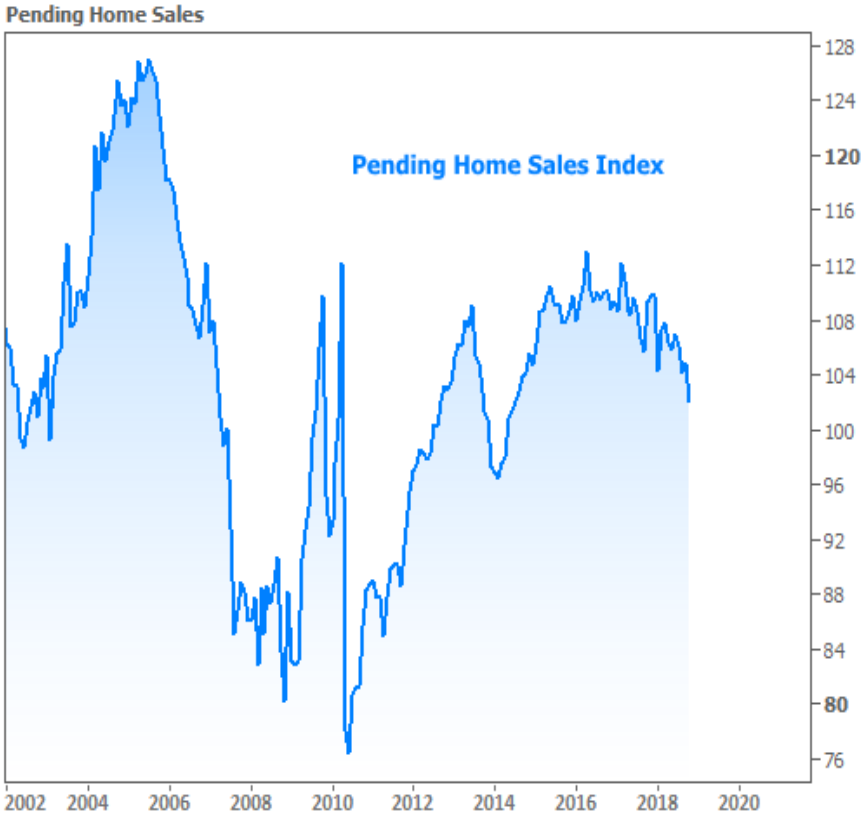
© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

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

If these positive influences stick around, the highest rates for this economic cycle may indeed already be behind us. That **couldn't come a moment too soon** for the housing market where sales continued to slump according to two reports out this 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/blackdiamondmortgage

Still, it's not necessarily safe to assume rates will keep moving lower. Keep Powell's comments about economic data in mind. The Fed will be watching the data closely. To whatever extent next week's important economic reports disappoint, **hope will remain alive** for rates. But if those reports are stronger than expected, rates could easily bounce back toward recent highs.

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

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