

Meredith Brush
Brush Mortgage Team, Houston Home Loan
NMLS# 328705

Office: 409.860.3100
Mobile: 409.351.2135
mbrush@brushmortgage.com
View My Website

Inflation Told Rates to Rise. Rates Didn't Listen

Heading into the week, market watchers knew (or thought they knew) that Friday's PCE inflation data had a chance to help or hurt interest rates more than any other economic report. When PCE came out higher than expected on Friday morning, market watchers knew (or thought they knew) what would happen next. But instead, the opposite happened.

Events like this send pundits, journalists, and all other manner of rate watcher scurrying for explanations. Some are fairly logical, such as the fact that the unrounded PCE numbers were much closer to what the market was expecting. Specifically:

- Official monthly core inflation:
  - **0.4 versus a 0.3 forecast**
- Unrounded version of the same numbers:
  - **0.362 versus a 0.300**

In other words, inflation looked like it rose more than it actually did due to the custom of rounding the numbers to the nearest tenth of a percent. In addition, the 0.400 forecast is also rounded. It could be that forecasters were already expecting a higher unrounded number like 0.340. It could also be that the 2.5% annual rate of headline inflation simply isn't that threatening.

National Average Mortgage Rates



	Rate	Change	Points
Mortgage News Daily			
30YR Fixed	7.33%	-0.12	0.00
15YR Fixed	6.89%	-0.10	0.00
30YR FHA	6.95%	-0.10	0.00
30YR Jumbo	7.44%	-0.06	0.00
7/6 SOFR	6.81%	-0.19	0.00
30YR VA	6.97%	-0.10	0.00

Rates as of: 11/20

MBS and Treasury

	Price / Yield	Change
MBS UMBS 6.0	99.38	-0.13
10 YR Treasury	4.9647	+0.0244
30 YR Treasury	5.3360	+0.0036

Pricing as of: 11/23 4:13AM EST

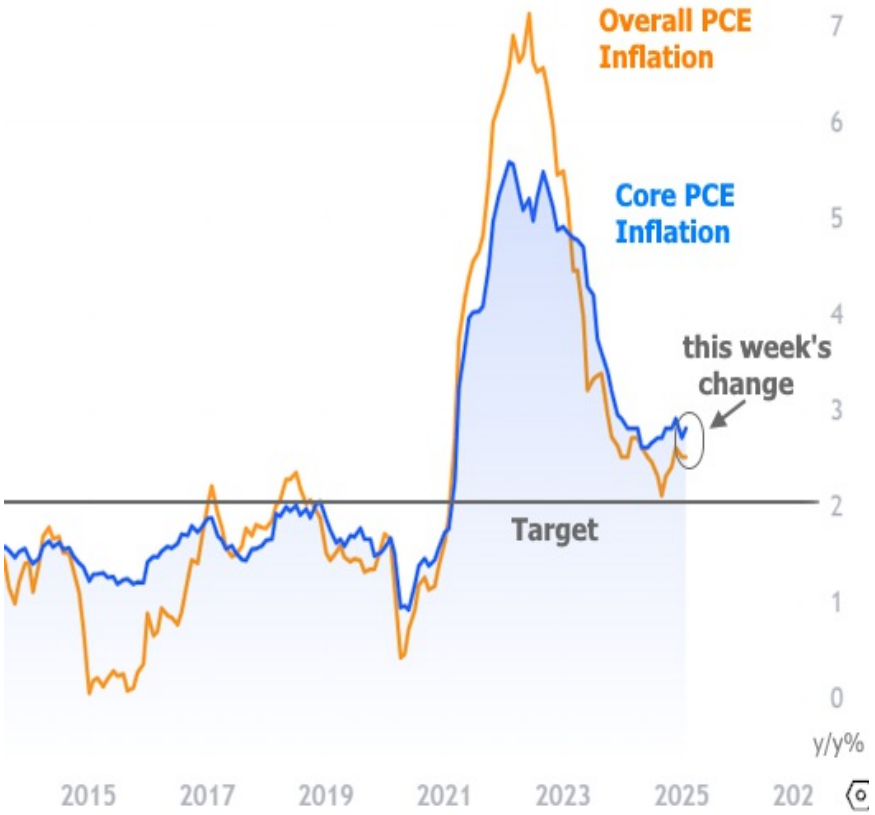
Recent Housing Data

		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/brushmortgage

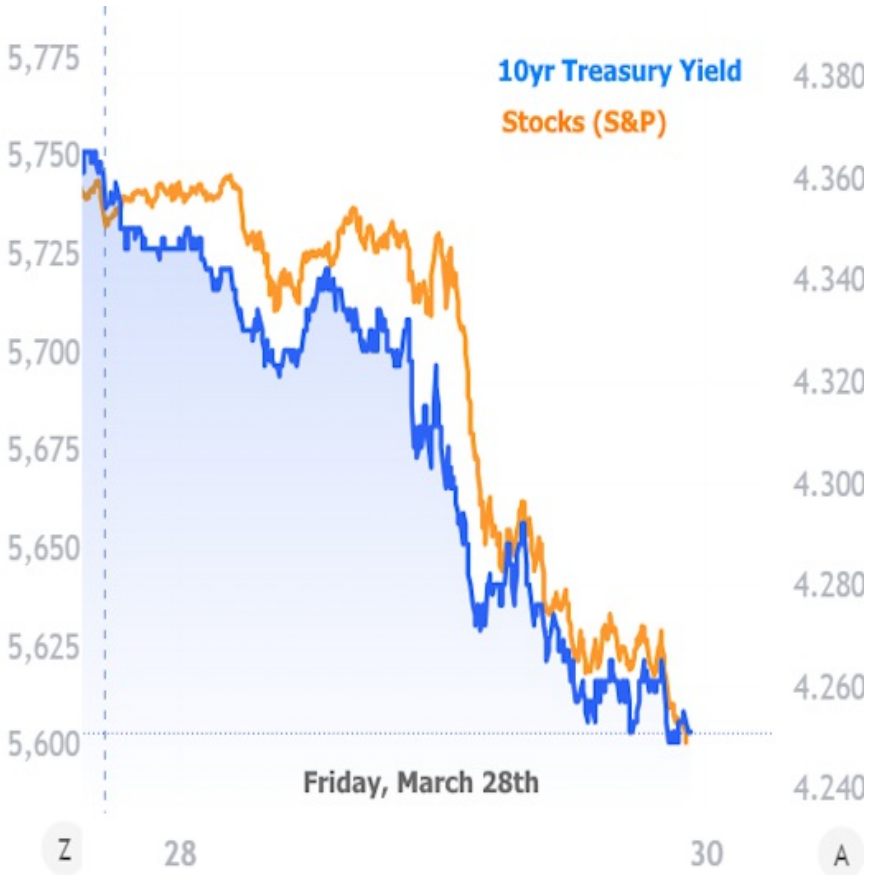


On a less speculative note, we can be sure that rates have been more than willing to move a bit lower on days where the stock market is tanking. Friday was definitely one of those.

© 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/brushmortgage



It would be nice if all this meant that rates were invincible and could endure an onslaught of unfriendly economic data, but a bit of caution is in order. First off, it's highly likely that there are distortions in the bond market due to the unique trading that takes place at the end of any given month/quarter (March is both). This is a time where traders may be buying or selling large amounts of bonds (thus putting downward or upward pressure on rates, respectively) for reasons that have nothing to do with the latest economic data.

The implication is that we could be seeing some artificial support at the end of the present week from the combination of stock market weakness and month/quarter end distortions. At least one of those things will no longer be in play for most of next week.

What we do know is that the first week of any given month always plays host to an active and important slate of economic data. Among those reports, next Friday's jobs report is always one of, if not the biggest potential flashpoint for rate volatility in terms of scheduled data.

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

Recent Economic Data

Date	Event	Actual	Forecast	Prior
Tuesday, Mar 25				
10:00AM	Mar CB Consumer Confidence (%)	92.9	94	98.3
10:00AM	Feb New Home Sales (ml)	0.676M	0.68M	0.657M
Wednesday, Mar 26				
7:00AM	Mar/21 MBA Refi Index	752.4		794.4

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/brushmortgage

Date	Event	Actual	Forecast	Prior
7:00AM	Mar/21 MBA Purchase Index	155.8		154.7
8:30AM	Feb Durable goods (%)	0.9%	-1%	3.3%
Thursday, Mar 27				
8:30AM	Mar/15 Continued Claims (ml)	1856K	1890K	1892K
8:30AM	Q4 GDP (%)	2.4%	2.3%	3.1%
8:30AM	Mar/22 Jobless Claims (k)	224K	225K	223K
8:30AM	Feb Wholesale inventories mm (%)	0.3%	0.4%	0.8%
10:00AM	Feb Pending Home Sales (%)	2%	1.5%	-4.6%
Friday, Mar 28				
8:30AM	Feb Core PCE (m/m) (%)	0.4%	0.3%	0.3%
8:30AM	Feb Core PCE Inflation (y/y) (%)	2.8%	2.7%	2.6%
8:30AM	Feb PCE (y/y) (%)	2.5%	2.5%	2.5%
10:00AM	Mar Consumer Sentiment (ip)	57.0	57.9	64.7
Monday, Mar 31				
9:45AM	Mar Chicago PMI	47.6	45.2	45.5
Tuesday, Apr 01				
10:00AM	Mar ISM Manufacturing PMI	49	49.5	50.3
10:00AM	Feb USA JOLTS Job Openings	7.568M	7.63M	7.74M
10:00AM	Feb Construction spending (%)	0.7%	0.3%	-0.2%
Wednesday, Apr 02				
8:15AM	Mar ADP jobs (k)	155K	105K	77K
Thursday, Apr 03				
8:30AM	Mar/29 Jobless Claims (k)	219K	225K	224K
9:45AM	Mar S&P Global Services PMI	54.4	54.3	51
10:00AM	Mar ISM N-Mfg PMI	50.8	53	53.5
Friday, Apr 04				
8:30AM	Mar Average earnings mm (%)	0.3%	0.3%	0.3%
8:30AM	Mar Non Farm Payrolls (k)	228K	135K	151K
8:30AM	Mar Unemployment rate mm (%)	4.2%	4.1%	4.1%

© 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/brushmortgage