

Joe Moore
Division Manager, CalTAP - Powered by Secure Choice Lending
NMLS #333648
1650 Spruce Street, Suite 500 Riverside, CA 92507

Mobile: 714-655-0116
joe@caltap.com
View My Website

Lowest Rates in Months After Inflation Data, But Volatility Risks Remain

There aren't many scheduled economic reports that are as hotly anticipated as was today's Consumer Price Index (CPI). The market's reaction more than validated the anticipation. What does all this mean for rates?

Inflation is always an important consideration for interest rates. Higher inflation means higher rates, all other things being equal and 2022 has seen the biggest spike in decades to the highest inflation levels since the 80s and the highest mortgage rates in at least 20 years.

The market and consumers have been waiting for some sign of relief when it comes to rates. Rates, in turn, have been waiting for some sign of relief on inflation. CPI is the most heavily traded inflation report. If there were only one place to receive an update on the fight against inflation each month, CPI would be it.

For these reasons, it was no surprise that rates surged lower on November 10th when CPI finally suggested a meaningful shift toward lower inflation levels. But that was only one report and we'd seen another false start a few months prior that cautioned against early celebration.

And so it fell to today's CPI data to confirm or reject the case presented back on November 10th. By coming in lower than the November 10th data and also lower than the median economist's forecast, the confirmation was essentially provided, thus paving the way for today's sharp drop in rates.

There are a few "yeah buts." The first is/was that the improvement versus the previous month and the forecast was only one tenth of one percent in monthly terms--perhaps not compelling enough to put the inflation anxiety to bed. The second is that the market still has one other big hurdle to clear this week in the form of tomorrow's Fed announcement.

If inflation is the noxious weed, the Fed is the gardener. Will the Fed say "yeah, it looks like that weed is going to die and we don't need to be too aggressive with it," or will they continue with what some would describe as a scorched earth campaign against inflation?

National Average Mortgage Rates



Mortgage News Daily	Rate	Change	Points
30YR Fixed	7.50%	+0.08	0.00
15YR Fixed	7.03%	+0.03	0.00
30YR FHA	7.05%	+0.05	0.00
30YR Jumbo	7.50%	+0.04	0.00
7/6 SOFR	7.13%	+0.08	0.00
30YR VA	7.07%	+0.06	0.00

Rates as of: 11/13

MBS and Treasury

	Price / Yield	Change
MBS UMBS 6.0	98.79	+0.03
10 YR Treasury	5.1291	-0.0005
30 YR Treasury	5.4564	+0.0016

Pricing as of: 11/12 7:32PM EST

Recent Housing Data

		Value	Change
Mortgage Apps	Nov 4	204.6	+6.23%
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 on-demand 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/caltaplistingcalifornia

Reality will likely be somewhere in between. The Fed will hike rates again tomorrow, but by only 0.50% instead of the recent norm of 0.75%. The market already knows this. What it **doesn't** know is what sort of outlook the Fed will share for the rate hike (and cut) path going forward. This will be revealed at the same time as the rate hike announcement via the quarterly release of the Fed's summary of economic projections. Then, half an hour later, Fed Chair Powell holds a press conference that also has the power to influence the rate market substantially.

Bottom line: by tomorrow afternoon, we'll have a much clearer sense of whether rates are willing and able to press into new multi-month lows or if they're having second thoughts based on the Fed's outlook. As for today, the morning's rates were right in line with those multi-month lows, but most lenders raised rates slightly by mid-day as the bond market gave up some of the more exuberant initial gains.

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

Could You Be Closer to Homeownership Than You Might Think?

CalTAP is California's leading home loan provider for teachers and public employees, offering no lender fees, a free rate float down, match-or-beat rate guarantee, and up to 3% cash-back with Listing California—delivering unmatched savings and support every step of the way.

 CalTAP borrowers may receive up to $500 in appraisal-fee reimbursement at closing on qualifying purchase, refinance, or home equity loans. Use promo code CALTAP250. Offer ends 12/31/2026; eligibility, underwriting, and loan approval required.

Joe Moore 

EQUAL HOUSING LENDER

© 2026 MBS Live, LLC. - This on-demand 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/caltaplistingcalifornia