



Jeffrey Chalmers

Senior Loan Officer, Movement Mortgage
 NMLS #76803 - #39179 Licensed: CA, CT, FL, MA, ME, NH,
 99 Rosewood Dr, Suite 270 Danvers, MA 01923

Office: (774) 291-6527
 Mobile: (774) 291-6527
 Fax: (855) 951-5626
jeffrey.chalmers@movement.com
[View My Website](#)

A Message from Jeffrey Chalmers:

"Interest rates rise like a bull and drop like a feather."

Mortgage Rates Finally Pull Back. Should You Worry?

Mortgage rates finally ended an impressive winning streak today, rising for the first time in 9 days. Rates began that streak with a massive move lower following the UK's vote to exit the European Union and maintained momentum until they were right in line with all-time lows yesterday.

Any time a winning streak extends past the 5 day mark (that's 5 business days, by the way), we begin to look for the **inevitable correction** that almost never takes more than 3 more days to show up. In that sense, today's moderate move higher in rates isn't much of a surprise. In fact, the resolute strength was arguably more surprising, and it raises questions as to how serious this single day of weakness may be.

The answer to those questions likely lies in tomorrow's big jobs report. Just yesterday, the minutes from the most recent Fed meeting showed us that the last jobs report was a bit of a concern for the Fed, and one of the reasons they kept rates steady last time around. The Minutes also mentioned that the **Fed wanted to see continued improvement** in employment data, and to essentially rule out that the last jobs report was the start of an alarming shift toward labor market weakness.

While **it's true** that one piece of economic data isn't enough to decisively put those questions to rest, tomorrow's report can still have a big impact. If it's much weaker than expected (i.e. lower job creation) markets will assume the Fed will continue waiting to raise rates, and mortgage rates would likely benefit from that scenario. If, **on the other hand**, it is unexpectedly strong, watch out! Such a report would effectively cancel out the alarming implications of the previous report--implications that helped rates move significantly lower in early June.

Of course, there's always the possibility that the numbers land somewhere in between, and that rates don't end up moving too much at all, but the point is that the **POTENTIAL** for bigger movement is elevated tomorrow. Moreover, if we get a big move higher in rates tomorrow it will increasingly make yesterday look like a "bottoming-out" for rates in the medium term.

National Average Mortgage Rates



	Rate	Change	Points
Mortgage News Daily			
30 Yr. Fixed	6.86%	-0.05	0.00
15 Yr. Fixed	6.31%	-0.02	0.00
30 Yr. FHA	6.32%	-0.06	0.00
30 Yr. Jumbo	7.04%	-0.03	0.00
5/1 ARM	6.53%	-0.02	0.00
Freddie Mac			
30 Yr. Fixed	6.78%	-0.08	0.00
15 Yr. Fixed	6.07%	-0.09	0.00
Mortgage Bankers Assoc.			
30 Yr. Fixed	7.00%	-0.03	0.60
15 Yr. Fixed	6.63%	+0.07	0.61
30 Yr. FHA	6.87%	-0.03	0.92
30 Yr. Jumbo	7.13%	+0.02	0.38
5/1 ARM	6.22%	-0.16	0.60

Rates as of: 7/26

MBS and Treasury Market Data

	Price / Yield	Change
MBS UMBS 5.5	99.68	+0.27
MBS GNMA 5.5	99.98	+0.13
10 YR Treasury	4.1958	-0.0474
30 YR Treasury	4.4523	-0.0305

Pricing as of: 7/26 5:59PM EST

Subscribe to my newsletter online at: <http://housingnewsletters.com/clicknfinance>

Because Integrity Matters™

Jeffrey has spent the last three decades perfecting an Honest, Open and Transparent (HOT™) loan and closing process that is laser-focused on enhancing the consumer mortgage experience. By combining old-school, trustworthy customer service with real-time, mobile-friendly technology, he has successfully built thousands of loyal, raving fans.

Jeffrey Chalmers

