



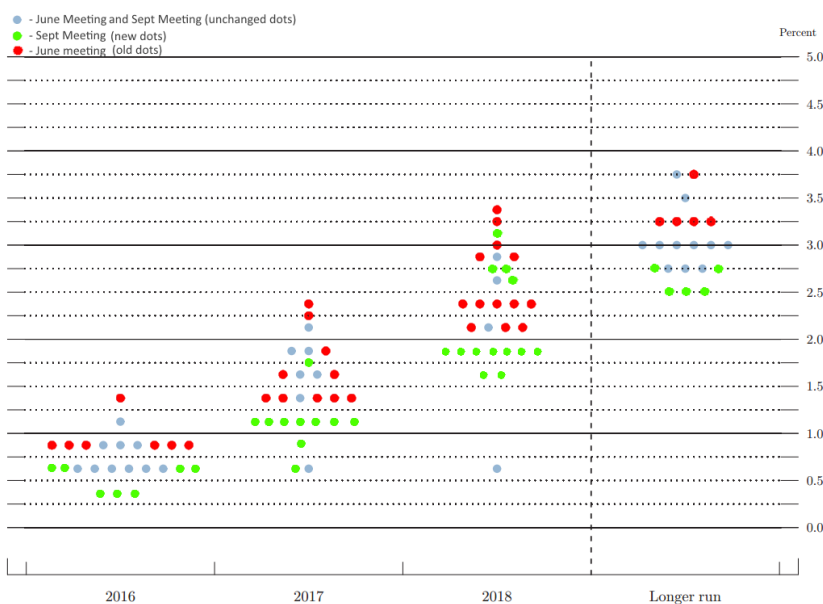
**Mike Baker**

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**UPDATE: Check Out The Updated Fed Forecasts!**

This is fairly striking, actually, and likely a major source of the bond market's eventual positive reaction to the 2pm release. The red dots are from June. You can think of those as Fed members who have migrated to become green dots on the chart. Blue dots are unchanged. Check out the mass exodus toward lower rate expectations:



These are fairly big moves, especially in 2017-2018. The median dot for 2017 fell from 1.625 to 1.125, and for 2018 from 2.375 to 1.875.

Translation: **THE FED SEES RATES HALF A POINT LOWER OVER THE NEXT FEW YEARS COMPARED TO THEIR JUNE FORECASTS!**

It's not necessarily that we didn't expect the Fed "dots" would have to come down. It's just that this is a fairly abrupt adjustment. This may be the quickest pace at which we've seen them removing their heads from the proverbial sand.

**MBS & Treasury Market Data**

	Price / Yield	Change
MBS UMBS 6.0	100.09	-0.08
MBS GNMA 6.0	100.23	-0.10
10 YR Treasury	4.4410	+0.0430
30 YR Treasury	4.5981	+0.0341

Pricing as of: 7/1 8:56AM EST

**Average Mortgage Rates**

	Rate	Change	Points
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**Mortgage News Daily**

30 Yr. Fixed	7.07%	+0.02	0.00
15 Yr. Fixed	6.45%	0.00	0.00
30 Yr. FHA	6.51%	+0.02	0.00
30 Yr. Jumbo	7.26%	0.00	0.00
5/1 ARM	7.02%	-0.01	0.00

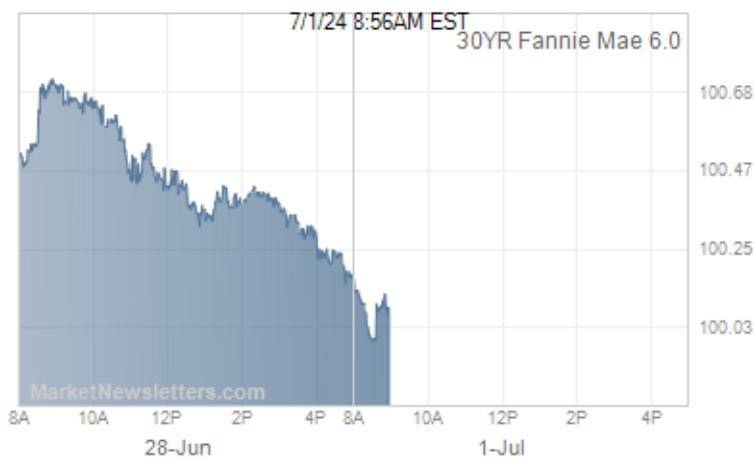
**Freddie Mac**

30 Yr. Fixed	6.86%	-0.01	0.00
15 Yr. Fixed	6.16%	+0.03	0.00

**Mortgage Bankers Assoc.**

30 Yr. Fixed	7.02%	-0.05	0.65
15 Yr. Fixed	6.60%	-0.15	0.55
30 Yr. FHA	6.87%	0.00	0.92
30 Yr. Jumbo	7.18%	-0.03	0.54
5/1 ARM	6.45%	+0.08	0.81

Rates as of: 6/28



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## Real Talk

At The Rate Shop, we're not your average mortgage banker. We specialize in bringing you ridiculously low interest rates that will make you wonder what the other guys are doing. In fact the ONLY objection we ever hear is "your rates sound too good to be true". Well they're not, and here is why...

After 15 years in the retail banking world I was frustrated with the high interest rates that came from that business model. As I looked around at all the bloated layers of management and their expensive salaries and the overhead of running a larger company (think rent costs, employee health and benefit costs, payroll taxes, and on and on) it dawned on me that I was a part of the problem, and the solution, for me at least, was so easy to see.

Start my own mortgage brokerage shop. No expensive executive salaries, no expensive building to pay rent at, no unnecessary employees and all the costs that are associated with that. What happens when you cut out all the fat? You can provide lower rates and lower closing costs. It's simple. Now here is the best part, you still get great service from a local Kansas City Lender. My mission is to let everyone know that low rates and great customer service are NOT mutually exclusive.

Thanks for coming along on this journey where Low Rates meet Great Service. The two do NOT have to be mutually exclusive. It's just a lie that the big box mortgage companies have been telling you for years. Don't believe me? Give me a call or shoot me a text on my personal cell phone today and compare my rates and costs up against any other lender in the country, and be prepared to be blown away.

Mike Baker

