



Mike Baker

Head Interest Rate Shopper, The Rate Shop
 Individual NMLS: 259076 Company NMLS: 2554765 State
 23211 W 45th St Shawnee, KS 66226

Office: 913-213-3335
 Mobile: 913-213-3335
mike@rateshopkc.com
[View My Website](#)

ALERT: Negative Reprice Risk Debuts as Early Gains Reverse

Bond markets have reversed course from slightly stronger levels at the open to moderate weakness as the NYSE session gets underway. This has been a fairly common occurrence recently as bond-related ETF volume hits at 9:30am.

10yr yields have been pulled up to 1.632 from lows of 1.606 earlier. Either of these levels could be argued to be the top of the previous range (which ran from roughly 1.48 to 1.62, give or take a few bps). In that sense, this is somewhat disconcerting as it suggests "denial of reentry" to that previous range.

Fannie 3.0s are only 2 ticks weaker on the day at the moment, but that's 4 ticks weaker from some lenders' rate sheet print times. As such, negative reprices can't be ruled out of the vanguard of "quick-to-reprice" lenders. It would take several more ticks of weakness for the average lender to consider repricing. Some lenders have yet to put out their first rate sheets of the day.



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MBS & Treasury Market Data

	Price / Yield	Change
MBS UMBS 6.0	100.12	-0.05
MBS GNMA 6.0	100.23	-0.10
10 YR Treasury	4.4430	+0.0450
30 YR Treasury	4.6010	+0.0370

Pricing as of: 7/1 8:51AM EST

Average Mortgage Rates

	Rate	Change	Points
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

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.

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