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MBS Recap: After Fed, Bonds Tune Out Into Weekend

For MBS Live members, this recap will largely be a rehash of the day's most recent update which pointed out a consolidative range in force over the past two days. Bond **weakened just enough** for a small amount of concern earlier today, but a friendly bounce let us know that traders had likely decided on the range for the rest of the day. Here was the chart from that update:



And here is a more zoomed in version showing us how the rest of the day has played out (through the 3pm close).

MBS & Treasury Market Data

	Price / Yield	Change
MBS UMBS 6.0	100.06	-0.11
MBS GNMA 6.0	100.23	-0.10
10 YR Treasury	4.4400	+0.0420
30 YR Treasury	4.5966	+0.0326

Pricing as of: 7/1 8:55AM 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



The takeaway here is that this week's FOMC events were good enough for token rally in bonds. It is nice to see, though it's **still a "safe" move** considering it doesn't take us officially back into the previous "post-Brexit" range that dominated most of July and August.

Next week is month/quarter-end--a more active time for bond trading, and one where we often see the effects of **compulsory** trades that must be made before the end of the month-quarter. This adds an element of complexity, as well as volume and liquidity to a market already tasked with deciding on its next move. It should be interesting.

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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.

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