



## Rich E. Blanchard

Managing Director, RICH Home Loans LLC

NMLS: 492461

1550 Wewatta St., 2nd Floor Denver, CO 80202

Office: 720.619.9900

Mobile: 303.328.7047

Fax: 214.975.2874

[richblanchard@richhomeloans.com](mailto:richblanchard@richhomeloans.com)

[View My Website](#)

## MBS Recap: Whew!

It's one thing to HOPE that any particular selling spree in bond markets is merely the product of a few temporary events that can be easily explained away. **It's another thing** to actually bank on it. I don't ever flat-out recommend that you disregard seemingly significant market movements.

But if it's a Friday or Monday in the summertime, if trading is light, if the biggest part of the move happens in the afternoon, and if the news being blamed for the move doesn't seem particularly "new," then I will say you can at least **hold out some hope** that the selling-spreed might not be the harbinger of doom it initially seems to be.

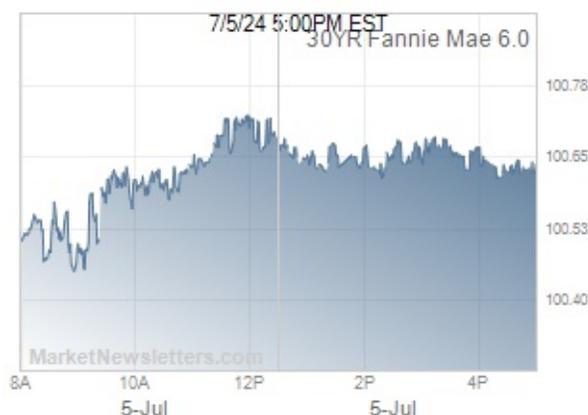
Still, no matter what I say, it's **impossible** to see the weakness we saw on Friday and be **completely** at ease that it was all part of the plan. So when we have the pleasure of watching today trade in a completely opposite way, there's only one word to describe it: **WHEW!**



## MBS & Treasury Market Data

	Price / Yield	Change
MBS UMBS 6.0	100.61	+0.22
MBS GNMA 6.0	100.74	+0.21
10 YR Treasury	4.2910	+0.0092
30 YR Treasury	4.4881	+0.0024

Pricing as of: 7/7 11:55PM EST



## Average Mortgage Rates

	Rate	Change	Points
<b>Mortgage News Daily</b>			
30 Yr. Fixed	7.03%	-0.05	0.00
15 Yr. Fixed	6.44%	-0.01	0.00
30 Yr. FHA	6.50%	-0.05	0.00
30 Yr. Jumbo	7.24%	-0.01	0.00
5/1 ARM	7.05%	-0.02	0.00
<b>Freddie Mac</b>			
30 Yr. Fixed	6.95%	+0.09	0.00
15 Yr. Fixed	6.25%	+0.09	0.00
<b>Mortgage Bankers Assoc.</b>			
30 Yr. Fixed	7.03%	+0.09	0.62
15 Yr. Fixed	6.56%	+0.09	0.54
30 Yr. FHA	6.90%	+0.11	0.95
30 Yr. Jumbo	7.11%	-0.01	0.50
5/1 ARM	6.38%	+0.11	0.54

Rates as of: 7/5

The chart shows how flat MBS were on the approach to Jackson Hole. Then there was a clear and mild positive response to Yellen's speech before an equally negative response to Fischer's comments. From there, bonds took on a life of their own for the aforementioned reasons. Treasuries and MBS are both **right back in the pre-FOMC range**. As such, we now turn to the rest of the week's economic data, which can act to bolster or mitigate the Fed's case for a rate hike (or two) in 2016.

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With 27+ years of expertise in mortgage banking you can be confident in my knowledge and abilities to deliver a seamless loan transaction while providing personalized service.

Rich E. Blanchard

