



**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](#)

## The Day Ahead: Bonds in Rough Shape as FOMC Minutes Approach

Today brings the release of the **MINUTES** from the most recent FOMC meeting. This is distinct event from the **ANNOUNCEMENT** that happened about 3 weeks ago. The minutes simply provide a more detailed account of the meeting that took place 3 weeks ago. There is no rate hike on the table today and no policy change that could be announced (again, they're not even meeting today--just pushing a button that makes meeting minutes appear on their website).

The minutes are nonetheless **valuable to market participants** as they can foreshadow impending rate moves. In today's case, markets are widely expecting to see additional confirmation that the Fed is moving toward a rate hike by December (the month that used to seem like a long way away, until it suddenly became October!).

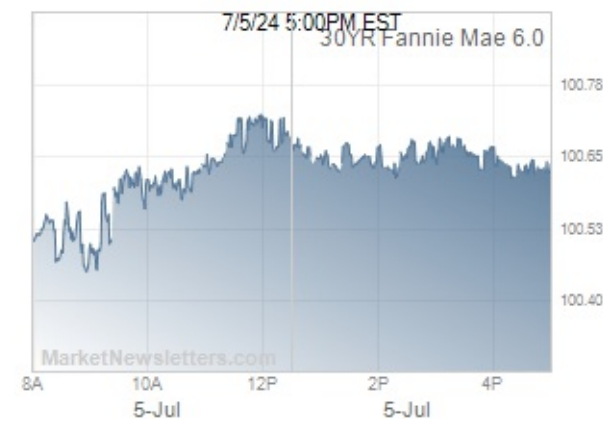
Those expectations are likely behind some of the recent weakness in bond markets, but it's important to know that they **have not** been the key driver of weakness. In other words, if the minutes are less alarming than expected, there won't be some big rally that magically brings rates back to last week's levels.

It's also important to know that, despite the consistency of recent selling pressure, there's **more room to run** in terms of bond market selling. We've only just now broken above the important pivot point around 1.75% in 10yr yields, and there's a risk it could now become a floor. Because of this, we shouldn't get too excited about a rally today or tomorrow if it merely returns yields to 1.75%-ish. I'd want to see a break back below before entertaining the idea of short-term optimism.

### MBS & Treasury Market Data

	Price / Yield	Change
MBS UMBS 6.0	100.61	<b>+0.22</b>
MBS GNMA 6.0	100.74	<b>+0.21</b>
10 YR Treasury	4.2808	<b>-0.0010</b>
30 YR Treasury	4.4721	<b>-0.0136</b>

Pricing as of: 7/7 7:37PM EST



### Average Mortgage Rates

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

Rates as of: 7/5



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

## Expert Advice | Exceptional Service | Flawless Execution

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**

