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## The Day Ahead: Draghi Set to Discuss Killer APP, But Markets Might Not Care

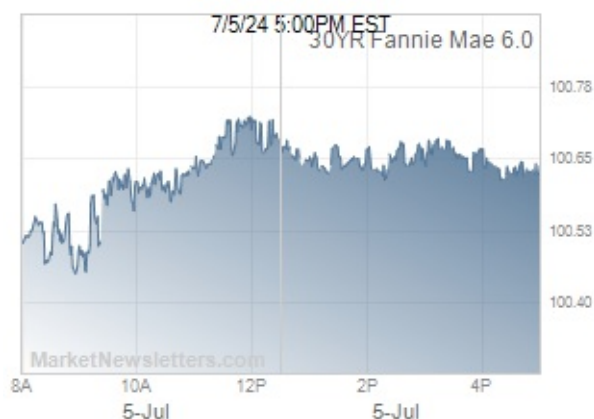
Ask me two months (or even a month ago) and I would have placed today **above** almost any other in terms of importance to the overall outlook. The reason has to do with the lower pane of today's chart.

The **biggest negative market mover** of the summer for bonds was a series of comments from European Central Bank (ECB) President Mario Draghi that alluded to tapering its Asset Purchase Program (APP). German Bunds (Europe's 10yr benchmark rate) spiked and led US Treasuries higher. Draghi and the ECB subsequently **backpedaled**. At the next policy meeting, Draghi disavowed any discussion of tapering and said it would likely come up the September meeting. **Today** is the conclusion of that meeting.

### 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	4.2818	<b>-0.0784</b>
30 YR Treasury	4.4857	<b>-0.0440</b>

Pricing as of: 7/5 5:59PM 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



Whether or not it has even a fraction of the originally-expected market impact is another matter. Other factors have moved in to **overshadow** today's ECB meeting (North Korea, hurricane season, Fed backpedaling, and political theater). Draghi would have to say something fairly shocking in order to get the market's attention today. His press conference typically shifts to the important question and answer phase around 8:40 and can last another 30-60 minutes from there. In other words, we'll know for sure by 9:10-9:40am ET.

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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.

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