



## 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: Still Consolidating Recent Losses Ahead of Fed

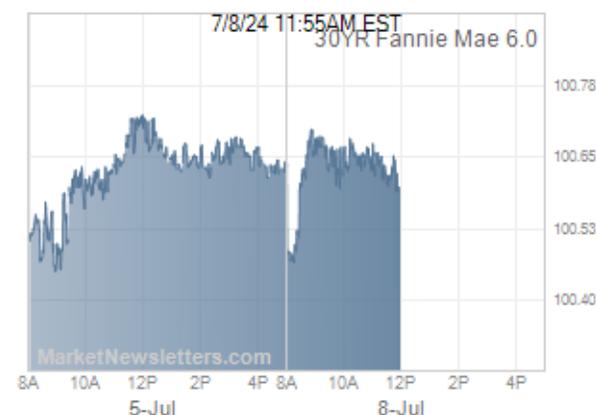
In the early overnight session, the policy announcement from the Bank of Japan (BOJ) was a bit of a downer for global risk markets. It wasn't that it deviated from the consensus, so much as it confirmed it. Specifically, there were **no new easing measures** announced, and the BOJ did sort of a half-hearted job conveying future easing potential.

As such, we begin the domestic session with equities markets in somewhat of a downbeat mood and with **bond markets slightly improved**. That can be seen in the top section of the following chart. The lower section zooms out and focuses specifically on Treasuries. The message there is that bonds are still simply just consolidating recent losses. The past 2 days (granted, this one isn't over yet) haven't even moved outside the range set on Friday.

## MBS & Treasury Market Data

	Price / Yield	Change
MBS UMBS 6.0	100.63	+0.02
MBS GNMA 6.0	100.80	+0.06
10 YR Treasury	4.2866	+0.0048
30 YR Treasury	4.4759	-0.0098

Pricing as of: 7/8 11:55AM EST



## Average Mortgage Rates

	Rate	Change	Points
<b>Mortgage News Daily</b>			
30 Yr. Fixed	7.01%	-0.02	0.00
15 Yr. Fixed	6.41%	-0.03	0.00
30 Yr. FHA	6.48%	-0.02	0.00
30 Yr. Jumbo	7.22%	-0.02	0.00
5/1 ARM	7.03%	-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: 7/8



The notion of "consolidation" in financial markets is similar to acclimation or **desensitization**. With additional forays into new territory, markets tend to take moments here and there to get used to their new surroundings. In practice, these consolidations provide an opportunity for trading positions to be reshuffled and also serve as reminders that there are two sides to every trade.

We may find out more about how comfortable bonds are at current levels after this morning's **Retail Sales** data. It's the last big economic data release before tomorrow's **FOMC Announcement**. That said, the FOMC Announcement (and press conference and economic projections) is the big to-do this week. It will cast the authoritative vote on whether or not bonds are comfortable in the mid-to-high 1.9's.

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

