

# 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

View My Website

## ALERT: First Move is Weaker Following Stronger Econ Data

This morning's first glut of economic data is out just now and it has an endorsement for Fed rate hikes written all over it. OK, well not ALL over it, but at least it doesn't do anything to argue against a Fed hike. More importantly, the stronger-than-expected Core CPI keeps the concerns about inflation (like, will we ever see any again) in the spotlight.

#### Here's a run-down:

#### **CPI**

- CPI -0.2 vs -0.2 forecast
- Core CPI +0.3 vs +0.2 forecast

#### **Starts and Permits**

- Housing Starts 1.178 mln vs 1.15 mln forecast
- Building Permits 1.167 mln vs 1.20 mln forecast

The housing data is definitely the sideshow this morning. CPI is the reason for the quick jump in bond yields and the quick drop in MBS Prices. 10yr yields rose 2bps from roughly 1.96 to 1.98 and Fannie 3.0s fell a quick eighth of a point from 101-13 to 101-09.

After the initial jump, bond markets consolidated/corrected just a bit--giving the impression that the weakness might have been a knee-jerk reaction that could be worked-through. But now we're right back to the post-data weak points, and are anxiously waiting to see if the weakness continues. As I type this sentence, 10yr yields are breaking to the highest levels since January (1.991 and rising...).

#### MBS & Treasury Market Data

	Price / Yield	Change
MBS UMBS 6.0	100.59	-0.02
MBS GNMA 6.0	100.75	+0.01
10 YR Treasury	4.2876	+0.0058
30 YR Treasury	4.4768	-0.0089

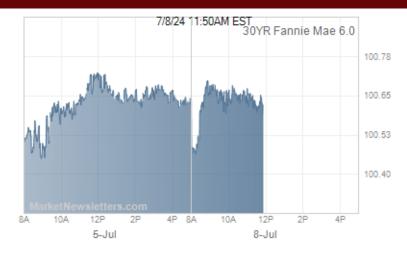
Pricing as of: 7/8 11:51AM EST

#### Average Mortgage Rates

	Rate	Change	Points
Mortgage News	Daily		
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
Freddie Mac			
30 Yr. Fixed	6.95%	+0.09	0.00
15 Yr. Fixed	6.25%	+0.09	0.00
Mortgage Banke	rs Assoc.		
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			

© 2024 MBS Live, LLC. - This mortgage market alert is a service of MarketNewsletters.com and MBS Live.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.



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

