



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](#)

The Day Ahead: Bonds Asserting Claim to Last Week's Range

Oftentimes, a massive surge to long-term lows is met with a quick snap back to the safety of the previous range. So far, the current massive surge is **not** one of those times.

In fact, 10yr yields began today's trading at levels **well below** the previous intraday low from February 11th. In simpler terms, that merely means that yields dropped big-time back on 2/11/16, hitting 1.53 for a moment before spiking to 1.66 by the end of the day. That 1.53 is an "intraday low" (the lowest level at any point in the trading day, regardless of 3pm closing levels).

Naturally, intraday lows are **harder to break**, and this 1.53 level wasn't even touched until the past 2 weeks of Brexit drama. Yields hit 1.52 on 6/16, but closed much higher at 1.58. Even last Friday after making it as low as 1.406 intraday, closing yields were all the way back up to 1.562.

With all that in mind, today's opening levels suggest we're going to take another run at closing below 1.53. It's a sign of strength for yields to be opening below 1.53. At the 8:20am CME open, yields opened at 1.475 and the highest overnight level was 1.526, notably **just under** that 1.53 intraday low from Feb 11th.

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	4.2954	+0.0136
30 YR Treasury	4.4890	+0.0033

Pricing as of: 7/8 3:51AM EST



Average Mortgage Rates

	Rate	Change	Points
Mortgage News Daily			
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
Freddie Mac			
30 Yr. Fixed	6.95%	+0.09	0.00
15 Yr. Fixed	6.25%	+0.09	0.00
Mortgage Bankers 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: 7/5



From here, we could talk about normal "week ahead" type stuff, but markets will be far more preoccupied with trading for the sake of trading (strategic and tactical opportunities to play offense and defense against other trades, as opposed to responding logically to incoming economic data). After all, the Fed can't possibly hike rates in July even if the next few weeks of data are exceptionally strong.

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

