

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
richblanchard@richhomeloans.com
View My Website

The Day Ahead: Weak Data vs J-Hole; Fed Borrowing From LO's Bag of Carrots?

By Wednesday of this week, we were assessing the possibility of a **positive** break of the range in bonds. Yesterday, those hopes were dashed by a fairly **brisk sell-off** that took us right back into the previous, super narrow trading range. C'est la vie, right?

Wrong, apparently.

This morning's economic data was so perfectly crappy that it has quickly pushed bonds to **even better** levels than those seen on Wednesday, thus reigniting hopes that narrow August range is breaking in our favor. The elephant in the room, however, is the upcoming Jackson Hole symposium, culminating in Yellen's fireside chat on August 26th. It could even be such a source of indecision that is sees the relative preservation of the range for 2 more weeks.



Jackson Hole will most likely have a binary outcome this year. **Normally** there are 3 general outcomes for Fed policy communications and speeches. They are as follows:

- Fed is more accommodative than markets thought

MBS and Treasury

	Price / Yield	Change
MBS UMBS 6.0	99.43	-0.62
10 YR Treasury	4.9860	+0.0952
30 YR Treasury	5.3557	+0.0737

Pricing as of: 11/10 5:59PM EST



Average Mortgage Rates

	Rate	Change	Points
Mortgage News Daily			
30YR Fixed	7.30%	+0.12	0.00
15YR Fixed	6.92%	+0.09	0.00
30YR FHA	6.89%	+0.07	0.00
30YR Jumbo	7.40%	+0.03	0.00
7/6 SOFR	6.80%	+0.31	0.00
30YR VA	6.90%	+0.07	0.00

Rates as of: 11/10

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

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.

Read or subscribe to my newsletter online at: http://housingnewsletters.com/richhomeloans

- Fed is less accommodative than markets thought
- Fed is so ambiguous that markets don't know what to think

But this time around, if the Fed is ambiguous with so little time left on 2016's rate hike clock (only September and December left as viable rate hike meetings), markets will simply read it as "more accommodative." It's **stealth accommodation**, really. The Fed constantly keeps the prospect of a rate hike in the relative near term, but the horse can't seem to get any closer to the proverbial carrot.

Is the **Fed playing a card that loan officers know all too well?** "Lock your rate because there's a risk they could go higher." Is this sense of an imminent rate rise serving to motivate more business activity than it otherwise would if rates were simply guaranteed to stay at current levels?

Even though this thesis is a quasi-conspiracy theory, if we apply the LO's "hurry before the deal gets worse" logic, it actually makes good strategic sense. **At the very least**, it would help to explain the rampant corporate bond issuance as companies rush to take advantage of low funding costs in case the cost of money happens to increase some time in the next 4 months.

Back to today though... Let's see how well this data-motivated breakout holds into the afternoon. If we see the Friday leakage that we sometimes see, it will be a strong tacit suggestion that "the range" isn't going down without a fight.

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 

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

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.

Read or subscribe to my newsletter online at: http://housingnewsletters.com/richhomeloans