

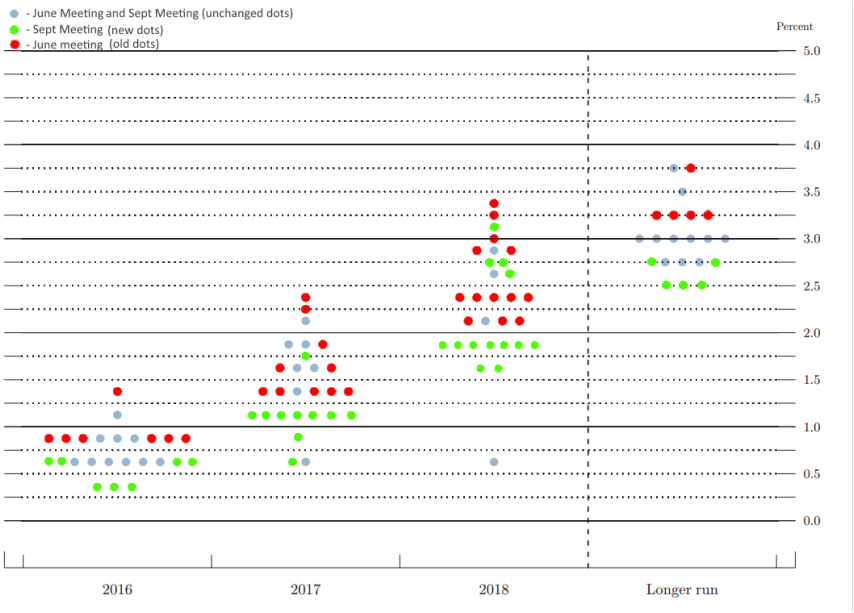
Rich E. Blanchard
Managing Director, RICH Home Loans LLC
NMLS: 492461
1550 Wewatta St., 2nd Floor Denver, CO 80202

Office: 720.619.9900
Mobile: 303.328.7047
richblanchard@richhomeloans.com
View My Website

MBS Recap: Bond Markets Cheer Fed Announcement, Sorta...

It was an interesting Fed day for bond markets, with 10yr yields dropping 3.8bps and 2yr yields not dropping at all. That's the **first clue** that markets were not merely trading the prospects of a Fed rate hike (which would have the most effect on shorter term yields like 2s and 3s), but also were tuned in to the Fed's main thesis: LOWER FOR LONGER.

The change in the Fed's projected path for rates was **quite telling.** In the following chart, each dot is a Fed member's opinion on where rates will be at the end of the next 3 years. Red dots from the June meeting became green dots today. Notice the mass migration:



In no case do we see more green dots above red dots. That means it's unlikely that anyone at the Fed sees rates rising faster than they did in June (and if they do, they've been offset by another member seeing rates rising more slowly). How about a few other **striking anecdotes** from the forecasts:

- In June, only one Fed member saw rates under 1.25% (3 hikes) hikes by the end of 2017, or under 2.0% (6 hikes) by the end of 2017. Now there are 9!
- The median Fed Funds Rate for both 2017 and 2018 is now seen a full HALF POINT lower versus June.

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

More than the verbiage of the statement, it was these changes in the forecasts that prompted the strength in the longer end of the yield curve. Meanwhile, the **"tough talk"** (the Fed said the "case for a rate increase has strengthened" and Yellen would later all but promise a December rate hike) was enough to keep shorter term yields out of the party.

Bottom line, the Fed just gestured toward a year-end hike in much the same way they did in 2015, and bonds generally **rallied**. Back in 2015, bond markets sold-off on the news, but admittedly, it was fairly well expected today. The counterpoint is that the rally was fairly light as far as post-Fed rallies go. 10yr yields didn't manage to break below 1.65, meaning they're STILL trading inside the range set by last Tuesday's highs and lows. In that sense, we're STILL waiting to see the next convincing move. Today didn't quite do it.

MBS didn't partake in the gains to quite the same extent, which is to be expected considering their shorter average life-span vs 10yr Treasuries (and shorter term debt fared worse today).

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