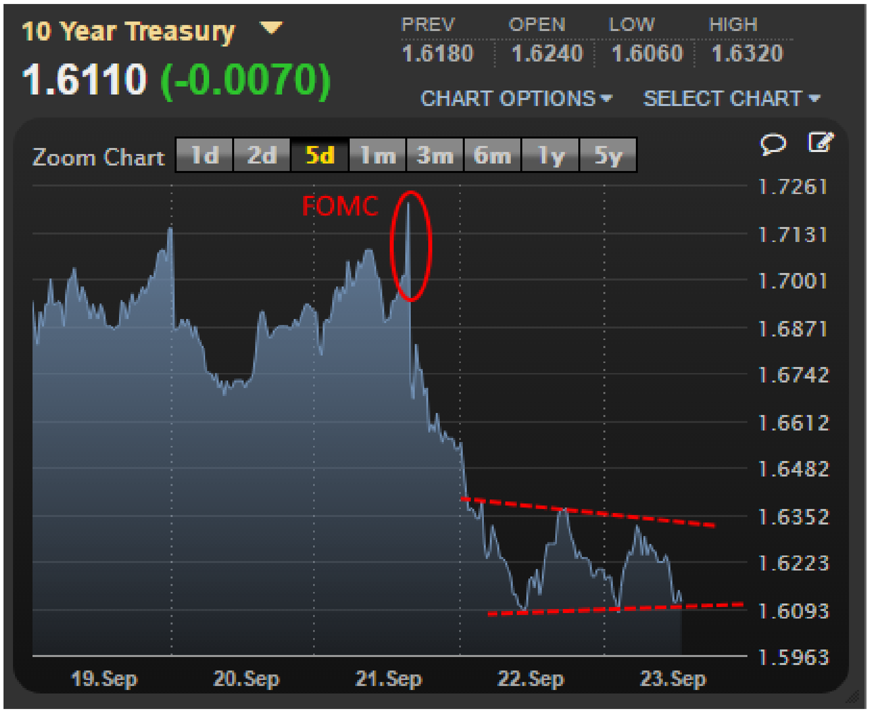
Rich E. Blanchard
Managing Director, RICH Home Loans LLC
NMLS: 492461
1550 Wewatta St., 2nd Floor Denver, CO 80202

Office: 720.619.9900
Mobile: 303.328.7047
Fax: 214.975.2874
richblanchard@richhomeloans.com
View My Website

MBS Recap: After Fed, Bonds Tune Out Into Weekend

For MBS Live members, this recap will largely be a rehash of the day's most recent update which pointed out a consolidative range in force over the past two days. Bond **weakened just enough** for a small amount of concern earlier today, but a friendly bounce let us know that traders had likely decided on the range for the rest of the day. Here was the chart from that update:

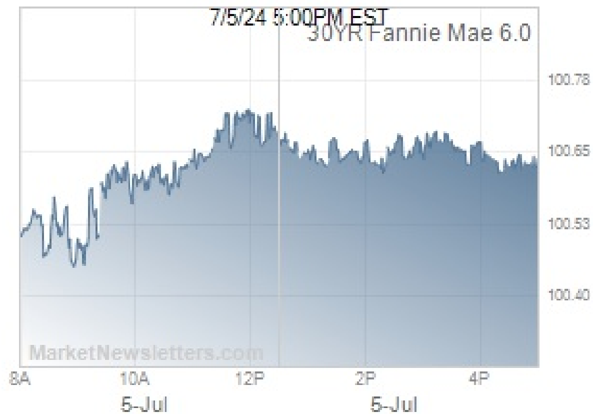


And here is a more zoomed in version showing us how the rest of the day has played out (through the 3pm close).

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	4.3003	+0.0185
30 YR Treasury	4.4951	+0.0094

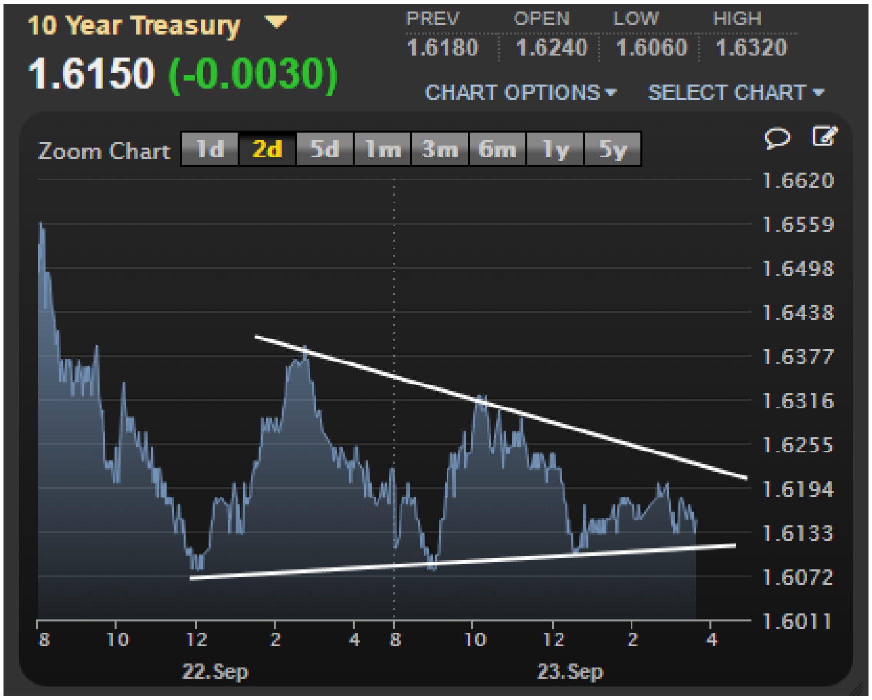
Pricing as of: 7/7 9:56PM EST



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



The takeaway here is that this week's FOMC events were good enough for token rally in bonds. It is nice to see, though it's **still a "safe" move** considering it doesn't take us officially back into the previous "post-Brexit" range that dominated most of July and August.

Next week is month/quarter-end--a more active time for bond trading, and one where we often see the effects of **compulsory** trades that must be made before the end of the month-quarter. This adds an element of complexity, as well as volume and liquidity to a market already tasked with deciding on its next move. It should be interesting.

Subscribe to my newsletter online at: http://housingnewsletters.com/richhomeloans