



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: Lots of Headlines, But Few Mattered

It was an **interesting day** for bond markets, mainly because there was such an immense amount of news that SEEMED like it should matter. The deluge of headlines failed to produce any meaningful reaction. And we're talking about top-shelf market movers like **Yellen's** congressional testimony, Mario **Draghi** defending ECB policy to Germany, and a fairly big beat in this morning's Durable Goods data.

Instead it was one silly little headline regarding an **OPEC** agreement to control production. **Really?!** Yes... I wouldn't have believed it if I didn't see it for myself. In fact, I looked for other explanations, but there really aren't any great ones. Sure, it came at a time of day well-known for increased bond market volatility and opportunistic trading, and it hit at the same time as news of the government-shutdown aversion bill advancing in the Senate, but there's no getting around the fact that oil prices, stocks, and bond yields all spiked in line with the OPEC headline.

What's the world coming to? How many similar OPEC headlines have we seen in the past year? 17? 18? It's **easy to lose count**. And this government shutdown business... that's an annual tradition anymore! The best way to look at today's seemingly big reaction to seemingly inconsequential data is to remember that the day and a half of trading that preceded this move was VERY narrow. Almost any noticeable move in either direction would have stood out against that backdrop. In fact, Treasury yields ended the day no higher than yesterday's or this morning's highs. The abruptness was a surprise, yes, but nothing happened in the bigger picture.

Subscribe to my newsletter online at:

<http://housingnewsletters.com/richhomeloans>

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	4.2988	+0.0170
30 YR Treasury	4.4937	+0.0080

Pricing as of: 7/7 9:57PM 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

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

