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## UPDATE: Bond Rally Continues on ECB Details and Weak NYSE Open

There weren't many surprises in this morning's European Central Bank (ECB) announcement, but there were official comments on their review of their policy tools. In making those comments, the ECB says it will be concluded by the end of 2020, which implies or even guarantees that policymakers don't see an end to their QE program before then--perhaps until well after that.

European bonds improved to their best levels of the day after those headlines hit. Treasuries followed. At the same time, US equities markets opened for the day (9:30am NYSE open), and a drop in major averages may have contributed to the bond market gains to some extent. That said, Treasuries are definitely taking more cues from European bonds than from US stocks.

10yr yields are down more than 4bps now to 1.727%. Fannie 3.0 MBS are up only 2 ticks (+0.06... i.e. MBS lagging). This lag is to be expected considering the nature of the rally (risk-driven with respect to coronavirus headlines, and sovereign debt spillover due to ECB). Beyond that, MBS have tightened excessively in January (and almost exclusively when Treasuries have been losing ground), so a bit of corrective pressure during Treasury rallies is also totally understandable.



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### MBS & Treasury Market Data

	Price / Yield	Change
MBS UMBS 6.0	100.39	+0.19
MBS GNMA 6.0	100.53	+0.14
10 YR Treasury	4.3602	-0.0724
30 YR Treasury	4.5297	-0.0761

Pricing as of: 7/3 5:59PM EST

### Average Mortgage Rates

	Rate	Change	Points
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#### Mortgage News Daily

30 Yr. Fixed	7.08%	-0.05	0.00
15 Yr. Fixed	6.45%	-0.02	0.00
30 Yr. FHA	6.55%	-0.05	0.00
30 Yr. Jumbo	7.25%	-0.04	0.00
5/1 ARM	7.07%	-0.03	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: 7/3

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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.

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