



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](#)

ALERT: Subtleties in The Data; MBS at Lows, But Stable in Bigger Picture

- Case Shiller Home Prices (y/y), January
 - 3.1 vs 3.2 forecast, 2.8 previously
- Chicago PMI, March
 - 47.8 vs 40.0 forecast, 49.0 previously
- Consumer Confidence, March
 - 120.0 vs 110.0 forecast, 132.6 previously

The econ data was stronger than expected, but weaker than previous months. There are a few reasons for this. Throw out Case Shiller right off the bat. January is ancient history

Chicago PMI was a mixed bag partly due to inventory building as some accounts increased orders to stockpile for the COVID crisis. Even then, ISM Chicago noted a sharp decline back into contractionary territory in the production index.

Consumer Confidence was a mixed bag as well with the Conference Board also specifying a "sharp decline." If forecasts were too pessimistic, it was because they didn't account for the survey cut-off being mid-month. Were the survey to be re-done today as opposed to 2 weeks ago, we can rest assured the number would be much weaker than it already is.

Markets are aware of all that, which is why there was no material damage to bonds. MBS have nonetheless managed to lose some ground in the past half hour and are now at the lows of the day. This has everything to do with the ongoing range-finding discussed in the [Day Ahead](#) and nothing to do with the data.

Since we're roughly a quarter point off the morning's price plateau, a few lenders could be considering negative reprices.

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
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



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

