

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

The Week Ahead: Is The Fed Really Buying Less Mortgage Debt This Week?

Here's this week's Fed MBS Purchase Schedule.

The daily amount is **down** from a recent peak of **$50 bln to $25 bln**. So does that mean the Fed is only going to buy half as much MBS as it was buying 2 weeks ago? And if so, why aren't prices tanking?

It's important to keep in mind that the Fed's announced buying targets are just that: targets. For instance, when the target was $50bln / day, they only bought **$36.6 billion / day** on average. They lowered the target to $40 bln for Monday, March 30th and only manged to purchase just over $20bln that day. Incidentally, MBS sellers were lined up and waiting to offload that $40bln! When the Fed only showed up for $20bln, prices quickly tumbled (which is exactly what many a mortgage company had been clamoring for due to margin calls and general volatility).

The Fed quickly lowered their daily target to $30bln and subsequently continued buying **just over $20bln / day** on average ($22.489 bln, to be precise). Throughout last week, there was a noticeable correlation between the Fed's willingness to buy and the market's trading levels. The closer 2.5 UMBS prices were to 104, the less likely the Fed was to max out its operational allotment. Conversely, as prices fell toward 103, the Fed bought bought more of its scheduled amount (Wednesday afternoon was the lowest point of the week for MBS prices and also the only time the Fed maxed out its scheduled maximum buying amount). Thus, they did a great job of keeping prices in a narrower range, and at less insane levels than the 105+ seen in the previous week.

So now that they've lowered the daily target to $25bln, **are they really buying less?** Or are they just adjusting to the prevailing level of supply required to keep prices in a relatively high, stable range? Odds favor the latter, although it's interesting to note that the Fed once again maxed out its buying capability by scooping up $5.5 bln in today's first UMBS 2.5/3.0 operation. Maybe they're trying to stick closer to 104 vs 103? We'll keep an eye on this as the week progresses.

Fed Bond Buying FAQ

CURRENT FED MBS BUYING SCHEDULE AND PURCHASE LOOKUP TOOL

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

I'm changing up this Q&A to make it shorter, denser, and better. If it's too pithy for you, revisit the previous version of this commentary HERE and take time to internalize the bigger picture).

Bullet points that answer the **most common questions** I receive:

- **WHAT IS THE FED BUYING?**
  - Fannie, Freddie, and Ginnie MBS, 2.5-4.5 coupons
- **WHY?**
  - Because you're not (buying MBS), and neither is anyone else (relatively). If no one is buying, no one can lend. Fed is facilitating liquidity in credit markets. Juicing MBS prices is a byproduct, not the primary goal.
- **NOT BUYING:**
  - 2.0 coupons
- **START DATE:**
  - March 16th, 2020
- **WHEN:**
  - Every biz day since then. They publish a buying schedule ahead of time and results are posted immediately (LINKED AT THE TOP)
- **HOW MUCH:**
  - Currently up to $25 bln per day, down from $30bln per day for most of last week and $50bln the week before that (here's why). Use this search tool, enter the date in question, add up the "Total Amt Accepted" lines, and translate every thousand dollars to a billion dollars and that's how much they bought.
- **FOR HOW LONG:**
  - As long as it takes
- **IS THERE A "TOO MUCH?"**
  - No. They are the lender of last resort. They'll buy as long as liquidity is needed. Their pockets are deeper than they'd need to be in a worst case scenario.
- **MORE DETAILED FAQ:**
  - From the horse's mouth: NY FED AGENCY MBS FAQ
- **IF THE FED IS BUYING WHY DO SO MANY TYPES OF MORTGAGE PROGRAMS HAVE SUCH CRAPPY RATES RIGHT NOW?**
  - First off, remember the Fed primarily has an effect on MBS prices. MBS prices and lender rates are more disconnected than they've ever been for a variety of reasons. Even then, the presence of Fed buying doesn't guarantee any specific MBS price level. It generally puts upward pressure on prices relative to where they otherwise would be, but the buying still occurs in a competitive marketplace (i.e. sellers are competing for the Fed's buying demand).
  - Rather than point you toward a lengthy article I've written on this topic, I'm just going to take a moment to lay this out as simply as I can because I know it's causing confusion. In the coming wave of forbearances and economic contraction, certain loans are at more risk than others of early prepayments (bad for MBS valuations and rates). Some of those loans are also subject to requirements that keep servicers on the hook for a larger

© 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

portion of monthly payments to bondholders, regardless of forbearances. While there are workarounds in place, investors are understandably cautious until getting a better lay of the land, especially when funds are already tight due to margin calls and generally lower liquidity right now. Fed buying has done what Fed buying does by making prices higher, but higher prices alone don't dictate mortgage rates. Servicing valuations are a big piece of the puzzle adding to confusion. Consider this: in some cases, originators trying to sell loans with MBS prices of 104 and getting offers of 99.00 or less due to servicing valuations.

Any other burning questions? Let me know.

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