



Stephen Moyer

Sales Manager/Senior Loan Officer NMLS:
268619/CA-DBO268619, New American Funding
Corporation. NMLS: 6606, Equal Housing Lender
Licensed by the Department of Business Oversight

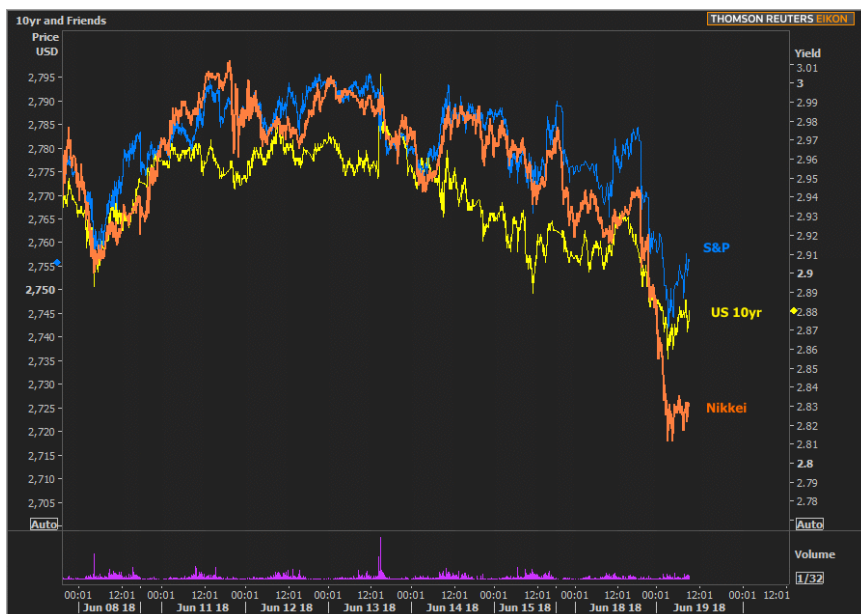
Under the California Residential Mortgage Lending Act
CA-DBO268619 Corp. NMLS: 67180 Equal Housing Lender
1615 Murray Canyon Road #1050 San Diego, CA 92108

Office: 619-309-1678
Mobile: 619-895-8128
Fax: (619) 793-1026
stephen.moye@nafinc.com
[View My Website](#)

UPDATE: Closer Look At Asia Driving Bond Gains

The past few days of tariff-related rhetoric are fueling a classic "risk-off" trade with stocks selling and bonds rallying. To hear most news articles say it, the latest round of brinksmanship was "unexpected" relative to the initial \$50bln in Chinese tariffs. Combine that with several markets, including China, closed yesterday for the Dragon Boat Festival, and today has seen the rubber band snap back a bit.

Granted, the Nikkei was open yesterday, and Japan isn't at the center of the trade dispute, but the Nikkei is nonetheless the leading barometer for Asian equities markets. All that to justify its inclusion in the following chart (if I charted Chinese equities/futures, we wouldn't get to see as much correlation early in the overnight session due to opening times).



The previous chart shows how Asian markets set the tone right from the outset. The Shanghai stock exchange opens 2 hours later on any given night. The following chart shows how it would stack up to the chart above in terms of relative movement in recent weeks.

MBS & Treasury Market Data

	Price / Yield	Change
MBS UMBS 5.0	99.37	+0.02
MBS GNMA 5.0	99.93	+0.02
10 YR Treasury	3.9068	+0.0029
30 YR Treasury	4.1960	+0.0028

Pricing as of: 9/1 7:34PM EST

Average Mortgage Rates

	Rate	Change	Points
Mortgage News Daily			
30 Yr. Fixed	6.43%	+0.02	0.00
15 Yr. Fixed	5.95%	0.00	0.00
30 Yr. FHA	5.82%	+0.02	0.00
30 Yr. Jumbo	6.62%	0.00	0.00
5/1 ARM	6.28%	-0.01	0.00

Freddie Mac

30 Yr. Fixed	6.35%	-0.51	0.00
15 Yr. Fixed	5.51%	-0.65	0.00

Mortgage Bankers Assoc.

30 Yr. Fixed	6.44%	-0.06	0.54
15 Yr. Fixed	5.88%	-0.16	0.68
30 Yr. FHA	6.36%	-0.06	0.85
30 Yr. Jumbo	6.75%	+0.07	0.39
5/1 ARM	5.98%	-0.27	0.65

Rates as of: 8/30



Bottom line: yesterday's tariff drama was a big deal for Chinese equities markets--big enough to send shockwaves throughout global equities markets (which are spilling over into safe-haven demand for bonds).

Notably, the best levels of the day for bonds coincided with the close for Chinese equities trading. We've been drifting gradually higher in yield since then. Point being, if you already have rates for the day, and if they are noticeably improved versus yesterday (as they should be) keep an eye out for a continuation of the weaker trend this morning.



Subscribe to my newsletter online at: <http://housingnewsletters.com/stephenmoye>

thanks for visiting this site

thank you for coming to website. Having been a loan officer for 20+year...I know first hand how important it is to stay on top of the news and event that effect mortgage rates, regulation, and program guidelines. Let this web site be a resource for you.

New American Funding CA-DBO268619 Corp. NMLS: 6606

Equal Housing Lender

Licensed by the Department of Business Oversight Under the California Residential Mortgage Lending Act

Stephen Moyer

