

Stephen Moye

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: Bonds Rally on Powell's Opening Remarks

- POWELL SAYS FED SEES NO CLEAR SIGN OF INFLATION ACCELERATING ABOVE 2 PCT
 - Translation: If inflation isn't accelerating above 2 pct, that's one less reason to feel a sense of urgency about hiking rates
- POWELL SAYS THERE DOES NOT SEEM TO BE ELEVATED RISK OF **OVERHEATING**
 - Translation: One more reason we don't need to hurry toward higher rates
- FED'S POWELL SAYS GRADUAL RATE HIKES NAVIGATE RISKS OF GOING TOO SLOWLY VS TOO FAST
 - o Translation: Like I said, we don't need to hurry toward higher rates because going to fast could be just as bad as going too slow, and I just told you we're probably not going too fast!
- POWELL SAYS HE'S CONFIDENT FED WOULD DO WHATEVER IT TAKES SHOULD INFLATION EXPECTATIONS SHIFT OR CRISIS **THREATEN**
 - Translation: And another thing! Even if I'm not hitting the nail on the head here with respect to the pace of rate hikes, we're ready to respond quickly
- FED CHAIR POWELL SAYS FURTHER INTEREST RATE HIKES LIKELY APPROPRIATE IF STRONG INCOME AND JOB GROWTH CONTINUE
 - **Translation**: If wage growth stays stagnant or if job creation declines, expect our rate hike outlook to decelerate.

These newswires are balanced at first glance, but have undeniably dovish overtones. Powell is making a case for slow rate hikes. The last bullet point is perhaps the most important because it lays out a contingency for ongoing hikes. It's important because Powell knows that this economy can't continue to create 200k jobs per month with unemployment under 4% for very long, and if it can, that will likely mean minimal pressure on wages (higher supply

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: 9/17:34PM EST		

Average Mortgage Rates

	Rate	Change	Points
Mortgage News I	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 Banker	rs 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 Rates as of: 8/30	5.98%	-0.27	0.65

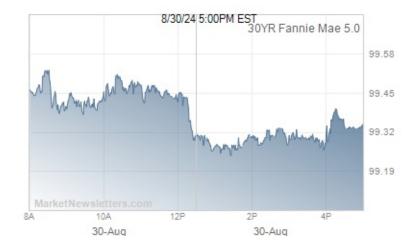
© 2024 MBS Live, LLC. - This mortgage market update is a service of MarketNewsletters.com and MBS Live.

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.

of workers = lower cost of labor, aka wages, all other things being equal. Supply/Demand 101).

So Powell is going all-in versus the alleged continuation of the economic expansion. Everyone will be happy if he's wrong (more jobs, higher wages, more econ growth). LOs will be happy if he's right (big picture shift in rate momentum).

After being modestly weaker, bonds moved back to unchanged after these remarks.



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 Moye



© 2024 MBS Live, LLC. - This mortgage market update is a service of MarketNewsletters.com and MBS Live.

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.