



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.moyer@nafinc.com
[View My Website](#)

The Day Ahead: Slow Holiday Trading Unless These Key Levels Break

Happy Thanksgiving week. These can go a few different ways for bond markets with 2 main varieties standing out. Both varieties are the product of **illiquidity** (fewer buyers and sellers at any given price point). In the **first case**, those buyers and sellers are roughly balanced and neither side has an stubborn/desperate outlier. The result is a boring, sideways grind for 3 days followed by a forgotten half-day on Friday.

In the **second case**, there is an outlier or two who is stubborn or desperate--a buyer with big buying needs or a seller who isn't willing to give up their bonds without getting top dollar. In an illiquid environment, such outliers can quickly drive prices/yields higher or lower. The most frustrating part of watching such things happen (well, I guess it's only frustrating to us if rates are moving higher) is that there's usually not an apparent motivation for the move. It's purely **tradelow** driven.

In the **frustrating case**, bond yields would simply move back up into their prevailing range. Not pleasant, but not a big deal in terms of implications. In the more positive case, yields would need to break their recent intraday lows at 3.06% before we could even consider something other than a slow, holiday trading week.

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
MarketNewsletters.com			
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



	Rate	Change	Points
30 Yr. Jumbo	6.75%	+0.07	0.39
5/1 ARM	5.98%	-0.27	0.65

Rates as of: 8/30

There are key levels in stocks as well, and a breakout could inform momentum for bonds, to some extent. Stocks aren't nearly as close to their technical lines, so the mere process of getting there would be somewhat meaningful in and of itself. **Simply put**, if stocks were to break below the lower consolidation line (upwardly sloped gray line) it would likely coincide with bonds breaking below 3.06%.



Data and events are fairly sparse, with Wednesday being the only day with a fair amount of economic reports. Of those, I'd normally say Durable Goods would be the headliner, but in this case, I'm not sure there is a headliner. The exception would occur if, by some miracle, Durable Goods data manages to come in above 0.0. It's currently seen coming in 2.5% lower.

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

