



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](#)

The Day Ahead: So Much of The Recent Volatility Has Been Building Toward Today

Powell's speech last week at the Economic Club of New York marked the beginning of an official shift. Until then, while the Fed had its dovish dissenters, the consensus was "steady as she goes" with respect to regular rate hikes in the coming quarters. The only uncertainty was whether or not the Fed would hike 2 more times in 2019 before leveling off (maybe it would be 3 times, maybe 1 time...).

But seemingly overnight, the consensus is now that we're only likely to see one hike in December, and perhaps NO hikes in 2019. This has been a big adjustment for financial markets. You might think that stocks would enjoy this shift (after all, the news has been eager to tell you that stocks are tanking because of rates), but no... This move was actually led by the longer end of the yield curve--it happened well before Fed rate hike expectations shifted.

That mystery rally suggests there's been a huge amount of year-end reallocation out of stocks and into bonds as a general defensive positioning. Traders are preparing for the economic realities associated with an absence of Fed hikes. That means there's been some adjustments to be made to stock/bond balances.

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



	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

If today's NFP confirms the underlying motivations for that "risk-off" shift (or if it soundly rejects them), the reaction could be very big, but the tacit suggestion is that much of the move may transcend the employment data and instead could have been happening for housekeeping reasons. In other words, the miss/beat would have to be extremely big to garner an extremely big reaction. Point being: we've already had the extremely big reaction to an economic shift ahead of the data.

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

