



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: Bond Traders Show Hands After Strong Home Sales Data

We're now getting some fairly clear signal from bond traders in light of three developments that would normally be headwinds. First off, the existing rally is sharp enough over the past 3 days that we shouldn't be surprised to see some technical resistance (i.e. bonds may need to correct and consolidate even if they ultimately continue to rally).

In terms of external factors, stocks began rallying shortly after the 9:30am NYSE Open. While bonds paid some attention to that, the move was so small that it's not worth mentioning.

Then at 10am, the New Home Sales data (a big 17% surge) helped stocks even more and caused bond yields to reconsider the morning rally once again.

BUT... that only lasted 9 minutes! After that, bonds continued to their best levels of the day by 10:30am.

So to recap, we have:

- A bond rally that could arguably meet selling pressure simply due to its own technical factors
- A stock rally that connotes some pressure on bonds
- A piece of super strong economic data that connotes some pressure on bonds
- Yet bond markets defy all of the above and progress to even stronger levels

To me, those bullet points are akin to bond traders showing their hands (hands that want to push the "buy" button). The only reservation I'd have at this point would be the possibility that the month-end trading environment is adding a bit of extra buying demand. But even if that's the case, tomorrow's NFP would still be a more important motivation for the next move.

For now, for today, this is good stuff. 10yr yields are down 2.8bps at 2.65%. Fannie 4.0 MBS are up just over an eighth of a point at 102-11 (102.33).

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



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

