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## Mortgage Rates Are Actually HIGHER This Week

It's Thursday and, thus, time once again to check in with the slew or [mortgage rate](#) headlines that typically follow the release of Freddie Mac's weekly mortgage rate survey. **Here are a few** choice selections:

"U.S. Mortgage Rates Fall for Second Week"

"Mortgage Rates Continue to Decline"

"30-year mortgage rates fall to 3-month low"

And so on and so on... The only issue here is that **they're all wrong**. Rates aren't lower today, nor are they lower this week, nor are they at the lowest levels in 3 months. They're actually at their highest levels in several weeks!

You may be wondering **who's lying** to you at this point, but rest-assured, there is no intentional deception. Quite simply, my claims above take TODAY'S rates into consideration whereas the more upbeat headlines generally pertain to rates that existed on Monday and Tuesday. Why is that?

The headlines are citing Freddie's weekly rate survey, which is a fine tool for tracking broad trends, but **not so great** if you're following along day to day. Freddie's methodology allows for survey responses Monday through Wednesday, but a vast majority of the input is received by Monday. That means the Freddie survey is effectively a "Monday vs Monday" number. As such, if rates make a big move on Tue-Thu, reality might be quite different from the survey results.

So **what's the bottom line here?** Freddie says rates are down 0.02% week over week, but the average lender is up nearly an eighth of a percentage point (.125%) since Thu/Fri, or at least they were as of mid-day today. Intraday improvement in the bond market will soften the damage a bit as several lenders have already offered pricing improvements. If bonds were to remain at current levels tomorrow by, say, 10am Eastern Time, mortgage lenders would likely be able to bring rates down just a bit more. Would it be enough for this week's rates to be lower than last week's? No. That would take a substantial shock in overnight markets or tomorrow morning's Retail Sales report at 8:30am.

## National Average Mortgage Rates



|                            | Rate  | Change | Points |
|----------------------------|-------|--------|--------|
| <b>Mortgage News Daily</b> |       |        |        |
| 30 Yr. Fixed               | 7.28% | -0.09  | 0.00   |
| 15 Yr. Fixed               | 6.75% | -0.07  | 0.00   |
| 30 Yr. FHA                 | 6.70% | -0.12  | 0.00   |
| 30 Yr. Jumbo               | 7.48% | -0.07  | 0.00   |
| 5/1 ARM                    | 7.35% | -0.07  | 0.00   |

### Freddie Mac

|              |       |       |      |
|--------------|-------|-------|------|
| 30 Yr. Fixed | 7.22% | -0.22 | 0.00 |
| 15 Yr. Fixed | 6.47% | -0.29 | 0.00 |

### Mortgage Bankers Assoc.

|              |       |       |      |
|--------------|-------|-------|------|
| 30 Yr. Fixed | 7.24% | +0.11 | 0.66 |
| 15 Yr. Fixed | 6.75% | +0.11 | 0.64 |
| 30 Yr. FHA   | 7.01% | +0.11 | 0.94 |
| 30 Yr. Jumbo | 7.45% | +0.05 | 0.56 |
| 5/1 ARM      | 6.64% | +0.12 | 0.87 |

Rates as of: 5/3

## MBS and Treasury Market Data

|                | Price / Yield | Change  |
|----------------|---------------|---------|
| MBS UMBS 6.0   | 100.09        | +0.31   |
| MBS GNMA 6.0   | 101.03        | +0.29   |
| 10 YR Treasury | 4.5138        | -0.0657 |
| 30 YR Treasury | 4.6711        | -0.0579 |

Pricing as of: 5/3 5:04PM EST

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## All Your Mortgage Needs, Professionally Delivered with a Personal Touch

Whether you're a first-time homebuyer hoping to navigate the process of buying a home so that it is a fun and anxiety-free process or a homeowner looking for refinance options that deliver more freedom and flexibility, I can help you analyze your current situation and find money saving options. With expertise in all areas of mortgage and financing, my hope is that once I become your mortgage partner, I'll stay your mortgage partner. With clients from A to Z, files never leave my hands or my desk. From start to finish, every step of the way, my goal is to keep the lines of communication open, provide complete and attentive service, and ensure the most seamless and satisfactory process possible.

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