

## Mortgage Rates Are Actually HIGHER Today and This Week

**Mortgage rates** moved **higher** today, but only a modest pace compared to yesterday (read more about yesterday's rate rout [HERE](#)). Over the past two days, the average rate quote for a top tier conventional 30yr fixed loan has risen by an eighth of a percent (.125%). Yesterday accounts for essentially all of the move, making it one of only a handful of days with as much upward movement in the past few years.

Is an eighth of a point a big deal? Only you can answer that. It comes out to about \$7/month for every \$100k in loan amount. For some, it's **not** a big deal, but for others it can **make or break** a transaction. Either way, everyone can agree it would be a bigger deal if we were to see additional examples of similar spikes in the near future.

So will we?

That's **definitely possible**, but not necessarily probable. Bond traders (the people and machines responsible for moving the markets that move interest rates) were eagerly anticipating yesterday's GA senate election results and were ready to move in either direction depending on the outcome. Although the reaction can play out over the course of a few days the worst of it is over. From here, if bond yields and interest rates wish to continue higher at a similar pace, they'd need separate justification.

Thankfully, that sort of justification isn't in good supply, nor can it be until covid is far less common and the economy is far stronger. That's **not** to say that rates can't rise (they certainly can), only that the sort of abrupt adjustment seen yesterday is **less** of a risk for now.

(Sidenote: you may encounter other news today that claims mortgage rates just hit another all-time low. Be aware that the news in question is almost certainly based on the Freddie Mac Primary Mortgage Market Survey which receives a majority of its responses on Mondays. Moreover, big rate moves on Wednesdays are essentially never reflected in the data, and of course this week's big move was exclusively on Wednesday. If we were talking about Monday's rates, "all-time lows" would indeed be a valid retrospective. We're just not there anymore...)



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