

# MORTGAGE RATE WATCH

Daily Coverage. Industry Leading Perspective.

## Mortgage Rates Move Higher Again

**Mortgage rates** moved **higher** again today thus keeping them well within the sideways range that's been in place for the past 2 months. Omicron-related news continues having an impact on the bond market. At first, uncertainty surrounding the new variant drove demand for bonds. Higher demand means higher prices and lower yields (aka "rates").

This week, the theme has been **different**. While plenty of uncertainty remains, there are more headlines regarding "lower severity" of covid symptoms in omicron cases. Investors have rushed back into the stock market as a result, and bonds have suffered. Fortunately, the bonds that specifically underlie mortgages have taken less damage than US Treasuries--largely because they didn't experience as much benefit last week. Nonetheless, rates are modestly higher versus yesterday's latest levels.

**Risks remain** on the horizon as there are several Treasury auctions that could cause volatility in the coming afternoons. Then on Friday a key inflation report could pave the way for the Fed to announce a more rapid tapering of its rate-friendly bond buying programs. With the Fed announcement coming out next Wednesday, volatility could remain elevated until then.



**Gregory Pavlich**

President, Resource  
Mortgage Corp

[www.rmcboulder.com](http://www.rmcboulder.com)

**P:** (303) 444-1200

**M:** (303) 717-1359

1221 Pearl St  
Boulder CO 80302