

## No, Rates Are Actually MUCH Lower This Week

Most of today's mortgage rate headlines suggest that rates are higher this week. Nothing could be farther from the truth. Well, a few things could be, but the point is that rates are definitely quite a bit lower than they were last week. They're also lower than they were yesterday or the day before.

In some cases, the size of the drop in rates is puzzlingly large. I addressed the reasons for this in yesterday's commentary which is very long, but worth a read if you're curious. Here it is: <https://www.mortgagenewsdaily.com/markets/mortgage-rates-06222022>

As for today's "higher rate" headlines, those are products of the longstanding tradition among media outlets of relying on Freddie Mac's weekly rate survey for one big mortgage rate article each week.

There's no glaring issue with Freddie's survey data if you're interested in tracking broad trends over long periods of time, but the survey methodology can result in stale or even misleading week-over-week rate changes. Long story short, most of the responses come in right at the beginning of any given week, but the survey isn't published until Thursday. That means we're usually getting a glimpse of Monday vs Monday rates with a 3 day lag.

Moreover, Freddie includes points in their survey, which isn't a bad thing at all. The only thing that makes it bad is that news media and consumers alike are interested in "the rate" and don't tend to consider the counterpoints raised by the fluctuations in upfront costs (our daily rate data adjusts for upfront costs automatically, for what it's worth).

All that to say that the average lender is indeed offering significantly lower conventional 30yr fixed rates today when compared to yesterday or any day last week. The improvements would be even more striking were it not for some mid-day weakness in the bond market which forced lenders to bump rates up a bit from AM levels.



**Matt Graham**  
Founder and CEO, MBS Live

