

MORTGAGE RATE WATCH

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Mortgage Rates Back Under 6% For First Time in Months, But Just Barely

Mortgage rates responded favorably to yesterday's press conference with Fed Chair Powell. We discussed that move in detail in yesterday's commentary: Fed Hikes Rates. Mortgage Rates Drop. Here's How That Works.

Now today, the average lender improved just a bit more as the Fed's European counterpart released its latest policy announcement. Like the Fed, the European Central Bank (ECB) hiked rates at the same pace expected by markets but delivered comments that left the bond market feeling more upbeat.

In the case of the ECB announcement, it was logically the European bond market that felt more upbeat. But there's a certain amount of interconnectedness among the world's leading markets, so it's common to see spillover into US rates when something is pushing EU rates lower.

Given that US rates already experienced a fairly large move yesterday, they were somewhat resistant to the idea of going on a wild road trip toward even lower levels with their crazy European friends. US rates were nonetheless on that trip just long enough for the average 30yr fixed rate quote to touch 5.99% for top tier scenarios. For all practical purposes, that means mortgage rates are basically at 6% with some lenders quoting slightly lower and a few more lenders quoting slightly higher.

Friday morning brings the important jobs report which has the power to push rates quickly higher or lower depending on the outcome of the data.



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