

MORTGAGE RATE WATCH

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Mortgage Rates Roughly Unchanged From Friday

As the new week begins, mortgage rates are almost perfectly in line with those seen on Friday afternoon. Putting that in context, last Thursday and Friday marked the highest rates in weeks although Friday was quite a bit better. In both cases and again today, the average lender is just over 7% for a top tier conventional 30yr fixed scenario.

Last Thursday's drama stemmed from strong economic data. That sort of data is a key consideration for rate movement in general, but especially right now. The Fed is scrutinizing data to determine whether it's time to hold rates steady after hiking at the fastest pace since the early 80s.

While the Fed Funds Rate doesn't dictate mortgage rates, the **expectations** for future movement in the Fed Funds Rate is much more correlated. Even then, the general notion of "friendly vs unfriendly" Fed policy tends to align with "down vs up" for interest rates. Bottom line: weak data = friendly Fed. Strong data = unfriendly Fed.

With all that in mind, we have some of the month's most important economic data coming up this week, culminating in Friday's big jobs report--typically considered to be the most important report for bonds/rates.



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