MORTGAGE RATE WATCH
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Mortgage Rates Microscopically Lower

Despite the release of economic data that sounds like it should matter to markets (mainly "GDP"), the bonds that drive interest rates had a remarkably calm day on Wednesday. This is the latest in a series of mostly remarkably calm days for just over two weeks now.

The timing makes sense. The most recent CPI report (the Consumer Price Index) was released just over two weeks ago and it send rates significantly higher. Indeed, yesterday's average conventional 30yr fixed rate matched its highest level in roughly 3 months yesterday, thus making today's microscopic improvement a rather hollow victory.

As for GDP, it's no surprise to see markets look past that data. Not only is it too broad to deliver the most needed cues, it also happens to be quite stale. After all, today's GDP release is still looking back to Oct-Dec, 2023. That will STILL be the case when it comes out next month. In other words, it's the biggest, most stale report card on the US economy. The investors who are making the trades that move interest rates are infinitely more focused on things like the big jobs report out next Friday or CPI the following week.

Ray Blindauer
CLA™, CMPS®, CVLS,
Arcstone Financial, Inc.
www.arcstoneinc.com/RayBlindauer.html
M: (949) 945-4850
1917 Hillhurst Ave., Suite 203
Los Angeles CA 90027
NMLS# 230213