

MORTGAGE RATE WATCH

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Mortgage Rates Didn't Actually Move Sharply Lower Today

Thursday's mark the release of Freddie Mac's weekly mortgage rate survey. It's the longest running and most widely cited measure of mortgage rates, but it's not always the most accurate when it comes to tracking day to day changes.

In today's case, the survey showed a sharp drop from 6.89 to 6.77. In actuality, the drop was a bit bigger than that, but it happened last week following Thursday's Consumer Price Index (CPI). Today's rates are almost perfectly unchanged since the end of last week.

At issue is Freddie's methodology which reports a trailing 5 day average of rates each Thursday. That means that neither Thursday nor Friday's sharply lower rates made it into the calculation last week. Instead, they're in today's number, and today's mortgage rates won't be counted until next Thursday.

Thanks to the extremely flat trend in rates so far this week, we can agree with Freddie that rates are currently near 6.8% for top tier conventional 30yr fixed scenarios and that these rates are the lowest seen in many months.

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