Mortgage Rates Stay Boring, But For How Long?

Spats of volatility in the mortgage rate world seem to last only a matter of hours recently and to occur only a few times on any given month. The rest of the time is spent drifting mostly sideways waiting for the next big shoe to drop.

We've been decisively locked in one of those "drifting" moments for almost 2 weeks now with the last big move seen in response to the inflation data that came out on the morning of June 11th. The average top tier 30yr fixed rate has been in the 6.8s ever since.

Today's change was minimal with many lenders effectively unchanged compared to yesterday morning's offerings. Some lenders made adjustments toward higher rates yesterday afternoon in response to market weakness, and are now back down in line with averages.

When will the sideways drift change? Volatility has most reliably followed one of several of the most important economic reports. None of those reports are coming out this week, but there are a few solid supporting actors that will begin hitting the wires tomorrow morning (specifically, S&P Global's manufacturing and service sector indices). This won't singlehandedly change the outlook for rates, but it may cause slightly bigger movement between now and the first two weeks of August, when the big ticket data actually arrives.

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