MORTGAGE RATE WATCH Daily Coverage. Industry Leading Perspective.

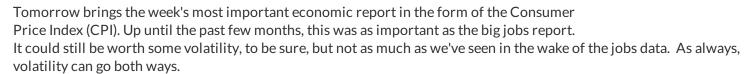
Mortgage Rates Sideways to Higher

Today brought the release of the minutes from the most recent Fed meeting in addition to numerous Fed speeches and the scheduled auction of 10yr Treasuries. Each of these events has at least some track record of causing volatility for interest rates, but none of them had an impact today.

As for the Fed Minutes, it's no surprise to see a lack of response. The minutes are simply a more detailed account of the meeting that took place 3 weeks ago. A lot has happened since then--especially last Friday's jobs report.

Speeches by various Fed officials also held few surprises for financial markets. When the shoe had been on the other foot, Fed members commonly reminded the market not to place too much focus on a single month of economic data or a single report. Granted, the single jobs report also provided upward revisions to the previous reports, but even that's not enough to suggest a change in tack from the Fed--especially when Powell was already clear that the initial 0.50% rate cut is no guarantee that subsequent cuts would be the same size.

Despite the absence of inspiration, the bond market drifted into slightly weaker territory. That normally connotes higher mortgage rates, but due to the timing of intraday volatility, many lenders are right in line with yesterday's levels. Lenders who offered mid-day improvements yesterday are a bit higher today. Those who held the same rates all day yesterday are actually a hair lower on average.





Gary Kesler Executive Finance Manager, Central Valley Home Lending

www.cvhlending.com M: (916) 804-0142 gary@cvhlending.com

3461 Fair Oaks Blvd. Ste 125 Sacramento CA 95864 CVHL NMLS #2455817 MLO NMLS #693579

