

MORTGAGE RATE WATCH

Daily Coverage. Industry Leading Perspective.

A message from Nickolas Inhelder:

We Make Home Happen.™

Our goal is simple:

To help every family we serve get to “Yes.”

Yes to the loan that unlocks the joy of home ownership.

Yes to the lending solution that meets every client’s unique needs and wants.

That’s why we dedicate our every resource to serve as your personal guide through the lending process, solving problems, building confidence. Aslan has access to every lending option leading to the purchase or refinance of a residential home loan.

This is more than work for us. It is our unique joy in this life to share our collective skill, creativity, and care to bring you and your family right to where you belong.

Let’s make home happen.

CONTACT ME TODAY



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Please Forget Everything You Think You Know About Fed Rate Cuts

Mortgage rates spent the entire month of October moving higher at a fairly quick pace. Some of that had to do with stronger economic data, but at least as much had to do with the bond market adjusting to election probabilities. As we've been advising in recent weeks, the consensus was that a Trump victory (or improved odds thereof) was associated with upward pressure on rates.

The bond market left no doubts late last night as 10yr Treasury yields spiked almost all the way to 4.5% well before any news team was anywhere close to confirming a winner. Bonds didn't lose any additional ground during the business day, even though that's when a majority of the world was waking up to the news that the election was a done deal.

This was not a matter of financial markets guessing or betting. It was a reflection of the efficiency of financial markets compared to analysis that isn't trained to operate on the most immediate and precise timelines. In other words, markets knew before news organizations knew because that's the market's job. Follow the money.

On that note, the market also knows the Federal Reserve is going to cut the Fed Funds Rate by 0.25% tomorrow. It knows this with near 100% certainty and as such, longer term rates have long since adjusted for this particular rate cut. **There will be absolutely no impact on mortgage rates from tomorrow's Fed rate cut!** Any perceived impact will be due to the content of the Fed's policy statement or Fed Chair Powell's press conference--and that impact could play out in either direction!

In other words, the Fed could cut rates and rates could continue higher--just like they did in mid September. We warned of that possibility excessively in the run up to that rate cut. If you didn't believe us then, hopefully you do now.

As for today, mortgage rates fared much better than you'd expect based on the bond market movement overnight. The average lender did technically hit a new multi-month high, but it wasn't much higher than last week's highs.