MORTGAGE RATE WATCH
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Mortgage Rates Jump Sharply Higher After Jobs Report

Mortgage rates were already at 6 month highs earlier this week so it didn't take much of a push to send them up to new 7 month highs today.

The push in question came from today's hotly-anticipated jobs report. No other economic report has as much consistent potential to cause volatility for interest rates. As such, when today's job creation headline came in at much higher levels than expected, it was an easy decision for traders to push rates to higher levels.

The average top tier 30yr fixed rate was closer to 7.125% yesterday. After today's route, that rate is now almost perfectly centered on the 7.25% level (mortgage rates are typically offered in 0.125% increments).

These are the highest levels since May 2024.

From here, the pain could continue if next week's data sings a similar tune. While not as consistent a market mover as the jobs report, Wednesday's Consumer Price Index (CPI) is the only other economic report that's in the same league.

A particularly balmy inflation reading could easily push rates up another 0.125%--possibly more. Conversely, a sharply lower inflation reading could be worth just as much of a recovery.

Brandon Dresner
Mortgage Broker, AWay Home Loans
www.AWayHomeLoans.com
148535