



Mortgage Applications Ebbbed This Week, But Next Week Could Be a Different Story

The Mortgage Bankers Association (MBA) released the latest mortgage application data this week showing a modest 1.6% decrease from the previous week. A slight uptick in purchase applications was more than offset by a downtick in refi applications, but both remain in solid territory relative to the prevailing range and interest rate environments.

Purchase demand is doing especially well in the recent context. This week's improvement makes it one of the best 6 weeks in more than a year.





Refinance demand, as always, is very closely tied to interest rate volatility. Last week's rates moved higher and were near the highest levels in more than a month at one point. As such, it's no surprise to see a bit of a slide in the refi index. If anything, it's refreshing to see how resilient the numbers have been.



While we are no great fans of predicting the future, there's a strong possibility that next week's refi numbers will be noticeably higher. That's not hard to imagine given that rates fell to the lowest levels since October by the end of the week.

