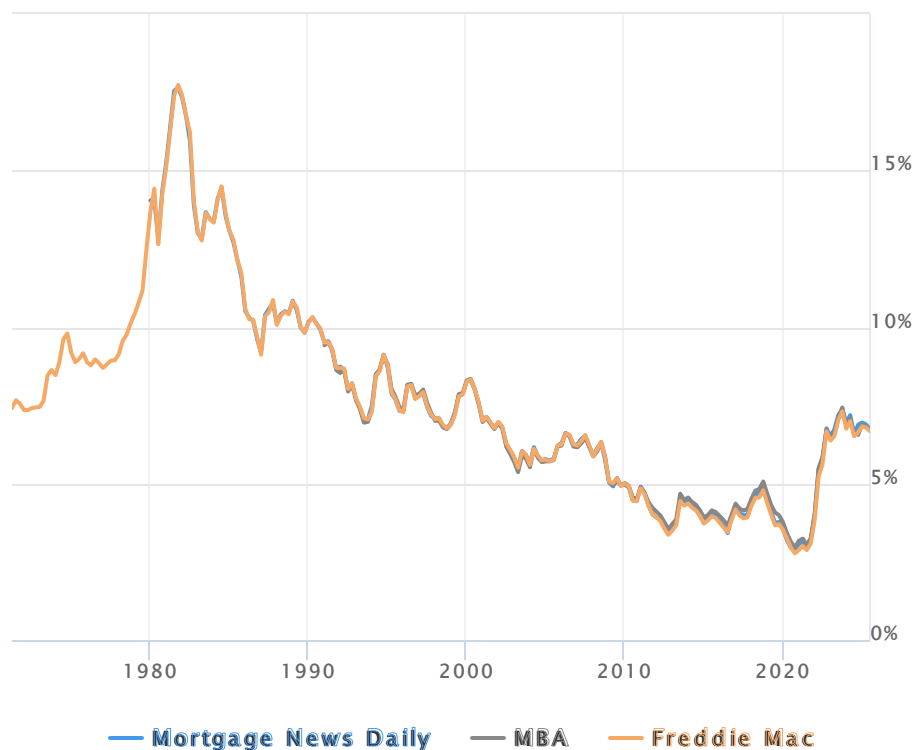


Friendly, Stable Trend Continues For Mortgage Rates

It's now been more than a week since mortgage rates ended the day higher than the previous day. And we haven't recovered quite as much lost ground as 10yr Treasury yields, we're getting pretty close to fully re-entering the narrow range that persisted before the April 2nd tariff announcement.



**Todd Hanley, RICP®,
CMA™**

Senior Loan Officer, United
Direct Lending

<https://todd.mortgage>

M: (954) 806-5114

todd.hanley@uniteddirectlending.com

5500 NW Glades Rd
Boca Raton FL 33431-7367
LO71086



Depending on one's worldview, tariffs could be a good or bad thing. Let's just say they're a thing that can be good in the right applications and that the initial roll-out of the tariff plan was too much of a good thing. The early April rate spike was due to fallout from that realization and the recovery has coincided with a more measured approach toward more sustainable trading relationships.

Of course there's much left to be determined and solidified, but whereas the bond market (and thus, rates) was a bit panicked at first, the balance of official communications has afforded traders more confidence. In addition, most traders assume there will be a near-term economic toll to pay as trade relationships are re-worked, and when markets expect weaker economic data, it puts downward pressure on rates, all other things being equal.

Things aren't exactly equal in this case. Inflation pushes rates higher and there is definitely some fear that tariffs will cause a surge in inflation--temporary or otherwise. As this push and pull between the economy and inflation is increasingly resolved in the objective data, rates will have a better sense of where they'll settle out.

As for today specifically, it was a modest victory for rates. Much like yesterday, it didn't change things enough for most borrowers to see a big difference from the previous day, but on average, things are moving in the right direction. NOTE: there's never a guarantee that things will continue to move in any given direction. Tomorrow's movement could have more to do with the morning's economic data than anything.

