

MORTGAGE RATE WATCH

Daily Coverage. Industry Leading Perspective.

Mortgage Rates Lowest Since May 1st

Mortgage rates ended the previous week roughly in line with the best levels since May 1st. Today's modest improvement made it official.

Mortgage rates are primarily a function of trading levels in the bond market and bonds have had a few reasons to move at the start of the new week.

There's a small case to be made that U.S. involvement in the conflict between Israel and Iran contributed to bond market strength and, thus, lower mortgage rates today.

Less debatable is the fact that Fed Vice Chair Bowman commented on the possibility of cutting rates at the July meeting. This echoes sentiments shared by Fed's Waller last week. Unlike actual rate cuts (which often do little or nothing to help mortgage rates by the time they happen), changes in rate cut **expectations** can impact longer-term rates in real time.

In other words, by the time the Fed actually meets and cuts rates, the market has already had plenty of time to get in position for that due to comments from Fed speakers and economic data.

Justin Grable

President of Mortgage Lending, ABLE Mortgage

www.ABLEMortgage.com

P: (951) 899-0009

M: (951) 899-0010

justin@ablemortgage.com

41923 Second St.

Temecula CA 92592

NMLS 246763

CADRE 01411989

ABLE
MORTGAGE