## Mortgage Rate Winning Streak Continues

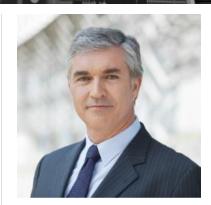
After topping out on May 21st, the average day for mortgage rates has been a good one. This has been especially true since June 6th with our 30yr fixed index moving down almost 0.25% through this afternoon. Today's gains contributed nicely with a drop of 0.07%.

Normally, we'd point to the economic release calendar to help explain this sort of momentum. There were numerous reports out this morning and several of them could be viewed as helpful for rates. But when rates move lower in response to economic data, we tend to see at least some semblance of weakness in the stock market--even if only briefly--and that was nowhere to be found.

The implication is that the market is broadly shifting to expect a lower path for the Fed Funds Rate (something that would help both rates and stocks).

It's always good to remember that the greater number of days in a mortgage rate winning streak, the greater the odds of a bounce. Sometimes that only means a single day moving modestly higher. Other times, the rate market hits a short term floor and moves back up into its recent range for a while. There is absolutely no way to know which sort of bounce the next one will be, only that it grows slightly more likely with each passing day of victory.

Note: our winning streak is at 5 days currently, and we don't tend to call attention to these risks until we hit 8 days. Some of the longest streaks go more than 10 days.



John "Demo" Lender VP of Lending, Demo Mortgage Co.

mbslive.net P: (704) 555-1212 M: (407) 555-1234

10014 Normal Blvd. Charlotte NC 28044 NMLS: 123456

