

## Mortgage Rates Finally Tick Slightly Higher

It had to happen at some point. After spending 4 straight days of setting new 11-month lows, mortgage rates finally moved higher today, but the headline is much scarier than reality.

In fact, many borrowers won't see any detectable difference from yesterday's latest levels as the average lender's top tier 30yr fixed rates moved a mere 0.01% higher.

This preserves the entirety of the improvement seen last Friday when rates dropped sharply in response to the downbeat jobs report.

There haven't been major economic reports so far this week (the bonds that underly mortgage rate movement tend to react when important economic reports come in much higher or lower than expected). That changes over the next 2 days.

Both Wednesday and Thursday bring important inflation updates via the producer and consumer price indices, respectively. Of the two, Thursday's Consumer Price Index (CPI) is the bigger potential source of volatility. Taken together, they will help flesh out the inflation considerations that will help the Fed hone in on a pace for the rate cuts that are expected to start in 2 weeks.



**Zachary Kempf**  
Capital Markets Analyst,  
Plains Commerce Bank

[plainscommerce.com](https://plainscommerce.com)  
P: (605) 271-7939

3905 W 49th St  
Sioux Falls SD 57106

