# MORTGAGE RATE WATCH

Daily Coverage. Industry Leading Perspective.

## Mortgage Rates Higher Again Ahead of Fed

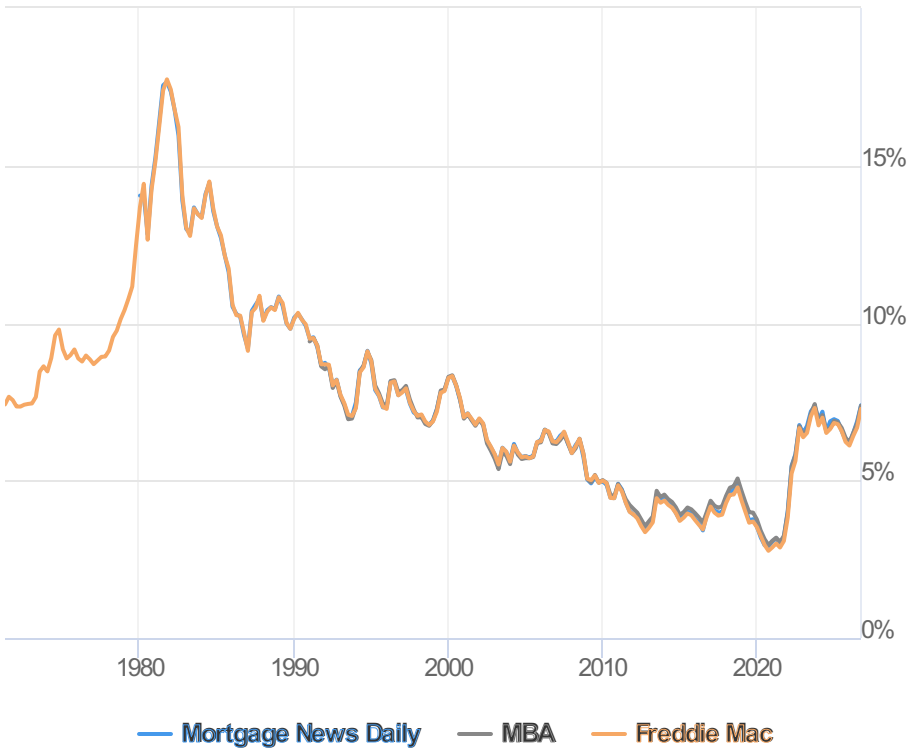
Mortgage rates moved higher for the 6th day in a row on Tuesday and to the highest levels since January, 2025. The average top-tier 30yr fixed rate is up to 7.22% and the most prevalently-quoted top-tier rate is 7.25%. Over the past 6 days, the average is up 0.33%, which is is the most abrupt jump since October 2024.

At least some of the recent volatility is due to the implications of recent economic data and oil price implications on Fed policy. Tomorrow brings the next regularly-scheduled Fed announcement. Markets are heavily betting that the Fed hikes rates at this meeting.

Despite the expectations, not all experts agree that a hike is a foregone conclusion. As such, no matter what the Fed does, there's a higher risk of a volatile response in rates.

Volatility can go both ways, of course. The Fed Funds Rate applies to a different part of the rate continuum than mortgage rates. Even in the past 6 weeks, we've seen several examples of Fed Funds Rate expectations move in the opposite direction from longer-term rates like mortgages.

All that to say, a Fed rate hike tomorrow--in and of itself--does not necessarily mean higher mortgage rates. In fact, some would argue that an absence of a Fed rate hike could be the worse outcome for longer-term rates. Speculation aside, there is more to a Fed announcement than a mere "cut/hold/hike" decision, and markets will take all of it into consideration before committing to a big reaction.







Corri Klebaum

Branch Manager, CMA,
Edge Home Finance, LLC

teamklebaum.com
**P:** (541) 605-2154
**M:** (503) 975-5005
corri@teamklebaum.com

1214 Adams Ave
La Grande OR 97850

NMLS #211442
Edge Home Finance LLC | NMLS #891464


EDGE HOMEFINANCE

EQUAL HOUSING OPPORTUNITY

© MBS Live, LLC. All rights reserved. This newsletter is a service of MBS Live.