MORTGAGE RATE WATCH

Daily Coverage. Industry Leading Perspective.

Mortgage Rates Rise to 7.58%

Mortgage rates moved higher again on Tuesday as the bond market continues recalibrating expectations for Fed policy, economic growth, and inflation. The weakness is especially frustrating considering a fairly large drop in oil prices today, but as we discussed yesterday, rates have a lot more on their mind than oil these days.

Our top-tier 30yr fixed rate index rose from 7.50 to 7.58% today--the highest since November 1st, 2023. In this sense, mortgage rates are doing much better than their often-cited benchmark, the 10yr Treasury yield, which is the highest level since 2007. That's because mortgage rates are directly based on mortgage-backed securities (MBS) and not U.S. Treasuries, and MBS have been outperforming Treasuries relative to 2023's levels.

Today's economic data didn't offer meaningful relief although it wasn't a driver of today's upward pressure. We're seeing more and more evidence that at least some of that pressure has to do with factors such as the quarter-end trading environment which transcends news headlines and economic reports. This doesn't necessarily mean that rate momentum will reverse on October 1st, but the month could at least restore a more logical relationship between typical causes and effects.



Sean Stanfield

Area Manager, CMG Financial

www.cmgfi.com/.../sean-stanfield

P: (916) 276-7563

sstanfield@cmghomeloans.com

1265 Carlsbad Village Dr
Carlsbad CA 92008

349707

THE STANFIELD TEAM

CMG HOME LOANS

EQUAL HOUSING LENDER

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