

# MARKET SUMMARY

Complete Recap of Today's Market Activity

A message from Nickolas Inhelder:

## We Make Home Happen.™

Our goal is simple:

To help every family we serve get to "Yes."

Yes to the loan that unlocks the joy of home ownership.

Yes to the lending solution that meets every client's unique needs and wants.

That's why we dedicate our every resource to serve as your personal guide through the lending process, solving problems, building confidence. Aslan has access to every lending option leading to the purchase or refinance of a residential home loan.

This is more than work for us. It is our unique joy in this life to share our collective skill, creativity, and care to bring you and your family right to where you belong.

Let's make home happen.

[CONTACT ME TODAY](#)



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## Bonds Shake Off Retail Sales Impact to End Stronger

Market Summary: Wednesday, July 17, 2024 - 8:17AM

This morning's Retail Sales data may have been right in line with forecasts at the headline level, but components of the report were much stronger than expected. As such, the initial sell-off made logical sense, or at least it was able to be explained in hindsight. The rest of the trading day was consistent with 0.0% retail sales growth as bonds slowly regained all of the ground lost in the morning, ultimately hitting the day's best levels just before the 3pm close. MBS underperformed 10yr Treasuries but fared roughly the same as the short end of the yield curve (more on that in today's video).

### Latest Video Analysis



Bonds Shake Off Retail Sales Impact to End Stronger

## MBS & Treasury Markets

UMBS 6.0 101.07 -0.03 | 10YR 4.161% +0.002% 7/17/2024 12:18PM EST

### Two Kinds of Flat

Retail Sales was/is the biggest data point of the week and it came out perfectly unchanged. This was as-expected according to some data aggregators and stronger than expected according to others. Perhaps more importantly, some of the closely watched internals were much stronger. For example, excluding autos and gas, retail sales rose 0.8% versus 0.3% last month and forecasts of 0.1%. This helps the flat headline look stronger than expected. It is also resulting in a flat morning for MBS, which marks a loss of roughly 6 ticks (.19) in MBS versus opening levels. Technically, bonds are still in modestly stronger territory due to solid overnight gains. The rest of the day will be spent fighting to hold just inside positive territory and that would be a good victory in the bigger picture considering rates are at 5 months lows.

**ALERT:** Giving up Overnight Gains Despite As-Expected Retail Sales

**ALERT:** MBS at Lows, But Reprice Risk is Modest at Best

## Today's Mortgage Rates

30YR Fixed 6.83% -0.01% | 15YR Fixed 6.32% +0.02% 7/17/2024

### Mortgage Rate Winning Streak Finally Ends, But Just Barely

When is a defeat not really a defeat? have an idea. They're fresh off an incredibly rare 8 day winning streak that took the average 30yr fixed rate to the lowest levels in 5 months AND well under the 7% mark for top tier scenarios.

Contrast all that gloriousness to today's performance which saw the average inch higher by a mere 0.03%. On any recent day before last Friday, we'd still be at 5 month lows. It would be just as fair to say rates are "holding their ground near 5 month lows" in the bigger picture.

This wasn't necessarily destined to be the case this morning. The important Retail Sales report had some underlying components that caused the bond market to move quickly toward higher yields (thus implying a bigger uptick in mortgage rates). But the losses were temporary and traders were quick to push bonds back into stronger territory.

Some mortgage lenders ended up offering mid day improvements to the morning's rate offerings. Those who didn't would likely be able to improve rates tomorrow morning IF the bond market were to hold in line with current levels overnight (never a guarantee, but always the 'all other things being equal' baseline).

## Economic Calendar

Last Week | This Week | Next Week

Time	Event	Actual	Forecast	Prior
Wednesday, Jul 17				

Time	Event	Actual	Forecast	Prior
12:00AM	Roll Date - UMBS 15YR, Ginnie Mae 15YR			
7:00AM	Jul/12 MBA 30-yr mortgage rate (%)	6.87%		7%
7:00AM	Jul/12 MBA Mortgage Applications	3.9%		-0.2%
7:00AM	Jul/12 Mortgage Market Index	214.1		206.1
7:00AM	Jul/12 MBA Purchase Index	140.4		144.3
7:00AM	Jul/12 MBA Refi Index	613.0		532.3
8:30AM	Jun Housing starts number mm (ml)	1.353M	1.30M	1.277M
8:30AM	Jun Building permits: number (ml)	1.446M	1.40M	1.399M
8:30AM	Jun Build permits: change mm (%)	3.4%		-2.8%
8:30AM	Jun House starts mm: change (%)	3%		-5.5%
9:00AM	Fed Barkin Speech ☆			
9:15AM	Jun Capacity Utilization (%)	78.8%	78.4%	78.2%
9:15AM	Jun Industrial Production (%) ☆	0.6%	0.3%	0.7%
9:15AM	Jun Manufacturing Production YoY	1.1%		-0.3%
9:15AM	Jun Industrial Production YoY	1.6%		0.1%
9:15AM	Jun Manufacturing Production MoM	0.4%	0.2%	0.6%
9:35AM	Fed Waller Speech ☆			
10:30AM	Jul/12 EIA Heating Oil Stocks Change	0.252M		0.356M
10:30AM	Jul/12 EIA Gasoline Stocks Change	3.328M	-1.7M	-2.006M
10:30AM	Jul/12 EIA Gasoline Production Change	-0.751M		0.239M
10:30AM	Jul/12 EIA Distillate Stocks Change	3.454M	-0.5M	4.884M
10:30AM	Jul/12 Crude Oil Inventory (ml)	-4.87M	0.8M	-3.444M
10:30AM	Jul/12 EIA Cushing Crude Oil Stocks Change	-0.875M		-0.702M
10:30AM	Jul/12 EIA Distillate Fuel Production Change	0.101M		0.022M
10:30AM	Jul/12 EIA Crude Oil Imports Change	0.312M		0.615M
10:30AM	Jul/12 EIA Refinery Crude Runs Change	-0.181M		0.317M
11:30AM	17-Week Bill Auction (%)	5.135%		5.195%
1:00PM	20-Yr Bond Auction (bl) ★	13		
1:00PM	20-Year Bond Auction			4.452%
2:00PM	Fed Beige Book			
<b>Thursday, Jul 18</b>				
8:30AM	Jul/13 Jobless claims 4-wk avg (k)			233.5K
8:30AM	Jul/13 Jobless Claims (k) ☆		230K	222K
8:30AM	Jul/06 Continued Claims (ml)		1860K	1852K

Time	Event	Actual	Forecast	Prior
8:30AM	Jul Philly Fed Business Conditions			13.8
8:30AM	Jul Philly Fed New Orders			-2.2
8:30AM	Jul Philly Fed Prices Paid			22.5
8:30AM	Jul Philly Fed CAPEX Index			12.1
8:30AM	Jul Philly Fed Employment			-2.5
8:30AM	Jul Philly Fed Business Index ☆		2.9	1.3
10:00AM	Jun CB Leading Index MoM (%)		-0.3%	-0.5%
10:30AM	Jul/12 Nat gas-EIA, change bcf		55Bcf	65Bcf
11:30AM	8-Week Bill Auction			5.260%
11:30AM	4-Week Bill Auction			5.270%
12:00PM	Jul/17 15-Year Mortgage Rate			6.17%
12:00PM	Jul/17 30-Year Mortgage Rate			6.89%
1:00PM	10-Year TIPS Auction			2.184%
1:00PM	10-yr Note Auction (bl) ★		19	
1:45PM	Fed Logan Speech ☆			
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4:00PM	May Net Long-Term Flows, excluding swaps (TIC data) (bl)		\$98.4B	\$123.1B
4:00PM	May Overall net capital flows (TIC Data) (bl)			\$66.2B
4:00PM	May Foreign Buying, Bonds (TIC Data) (bl)			\$75B
4:30PM	Jul/17 Central Bank Balance Sheet			\$7.22T
6:05PM	Fed Daly Speech ☆			
7:30PM	Fed Bowman Speech ☆			
7:45PM	Fed Bowman Speech ☆			

## Recent Housing News








- Rates Continue to Depress Builders as Well as Sales
- Higher Rates Suppress Mortgage Application Volume
- Refinance Volume Proves Brighter than Last Year

## Read My Latest Newsletter

### Sharply Lower Inflation Brings Fed Rate Cuts Into Focus

There was a lot riding on this week's economic data and it delivered in a big way. The Consumer Price Index (CPI) has had the biggest influence on interest rates of any of the scheduled monthly economic reports, and for good reason. It is one of the two biggest and most detailed inflation reports on any given month, and it comes out about 2 weeks before the other one. That's incredibly im...

## Mortgage Calculators

-  [Mortgage Payment w Amortization](#)
-  [Loan Comparison](#)
-  [Advanced Loan Comparison](#)
-  [Early Payoff](#)
-  [Should I Refinance?](#)
-  [Rent vs. Buy](#)
-  [Blended Rate](#)