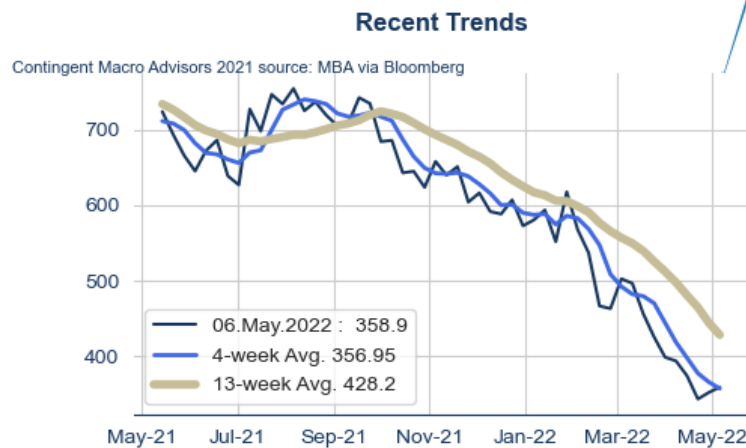
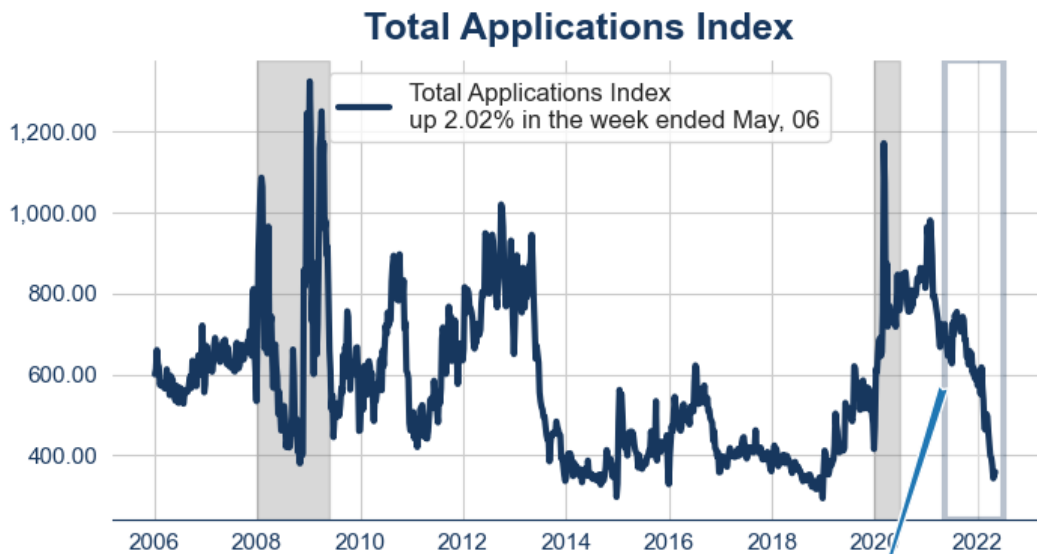


11.May.2022

Mortgage Apps: Purchases Edge Higher Again

Bottom Line: Purchase applications edged higher for a second week in a row, even as the effective mortgage rate (adjusted for points paid) hit nearly 5 3/4%. While the trend in purchase applications is still to the downside, the level of applications remains high relative to periods of similarly elevated mortgage rates. Refinancing, of course, remains near record lows with most outstanding mortgages carrying rates well below last week's effective average 30-year fixed rate of 5.55% (adjusted for points paid). Overall, the trend in mortgage applications is lower as housing activity slowly cools in response to higher rates. But the pace of slowing in purchase activity has been quite modest, confirming that demand remains strong even as affordability falls.



The MBA Mortgage Application Index ROSE 2.0% to 359.0, BELOW the 13-week average of 428.0 and -49.8% BELOW the year-ago level. Non-seasonally adjusted the index ROSE slightly , UP 2.7%.

The Purchase Index ROSE 4.5% to 255.0, BELOW the 13-week average of 258.0 and -7.7% BELOW the year-ago level.

The Refinancing Index FELL slightly, DOWN -2.0% to 914.0, BELOW the 13-week average of 1373.0 and -72.2% BELOW the year-ago level.

The effective (adjusted for points paid) 30-year mortgage rate ROSE sharply , UP 19bps to 5.74%, ABOVE the 13-week average of 4.89% and 79bps ABOVE the year-ago level.

Current coupon yields in the secondary market were up 17.0 bps last week , closing at 4.32%, and were down -13.0 bps this week through Tuesday.

Purchase Index

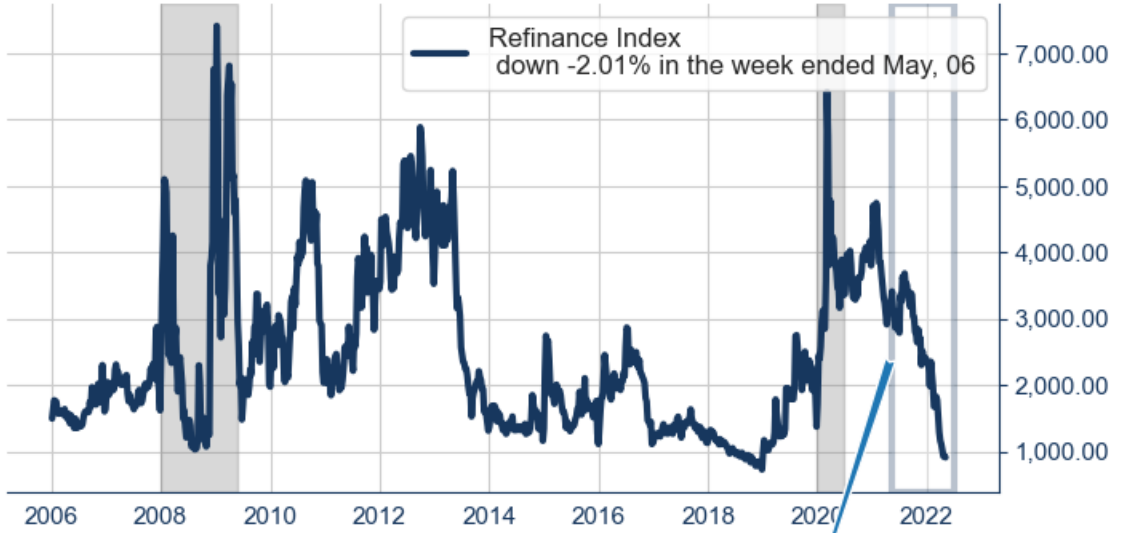


Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg



Refinance Index



Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg



MBA 30-yr Fixed Mortgage Effective Rate

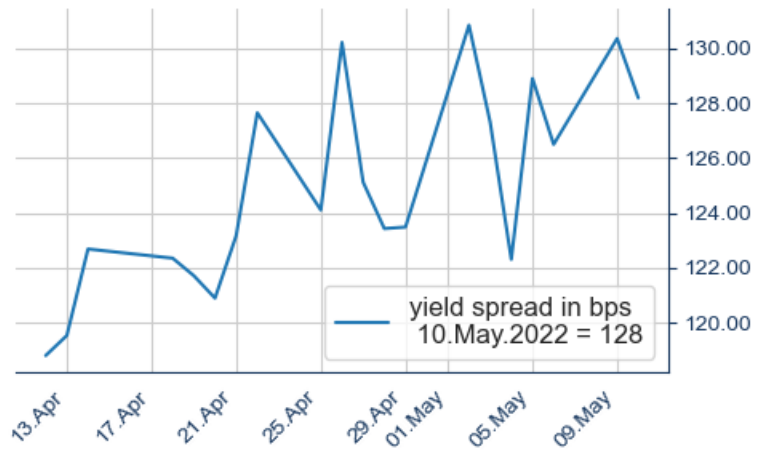


Recent Trends

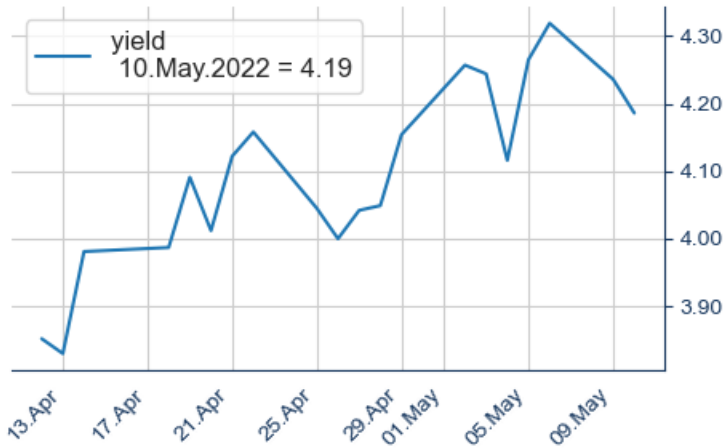
Contingent Macro Advisors 2021 source: MBA via Bloomberg



MBS Current Coupon spread to Blend of Treasury Yields

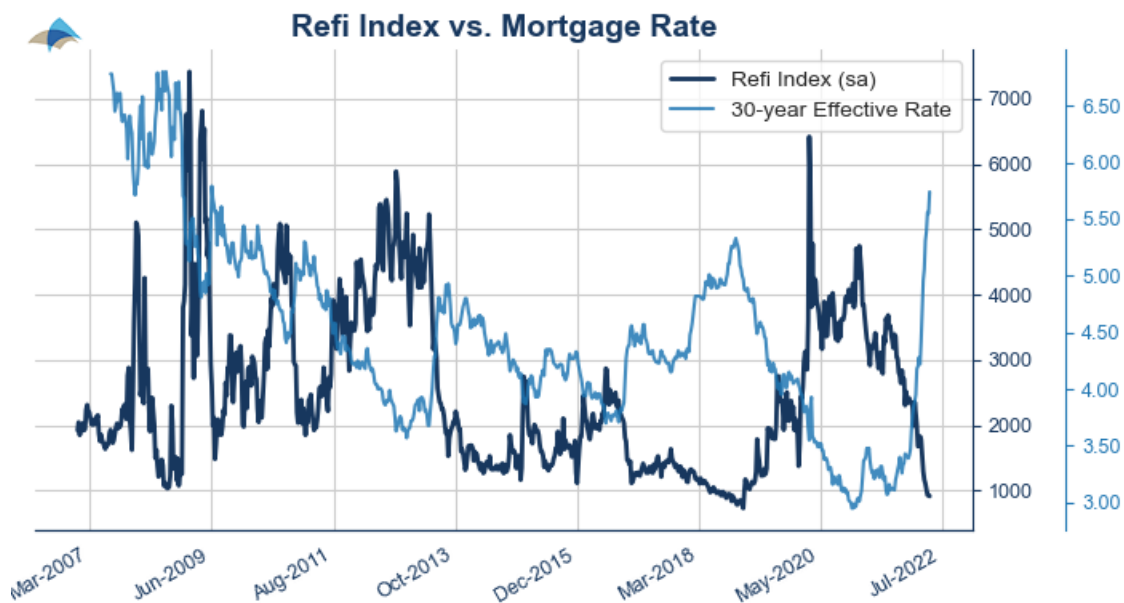
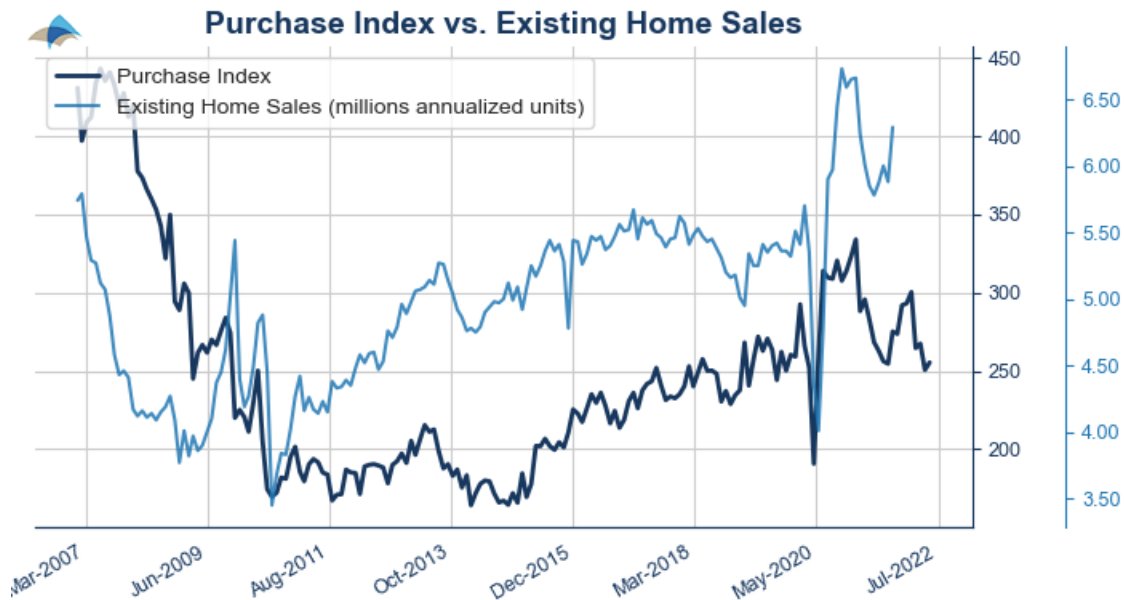


MBS Current Coupon Yield



Mortgage Rates





Weekly MBA Mortgage Application Survey	06.May	29.Apr	22.Apr	15.Apr	MTD Avg	Prior Mo. Avg.	13wk. Avg.	52wk. Avg.
Total Applications Index	358.90	351.80	343.10	374.00	358.90	372.18	428.20	603.45
Week % Chg	2.00	2.50	-8.30	-5.00				
Total Apps NSA % Chg.	2.66	3.41	-7.40	-4.05				
Purchase Index	255.40	244.40	234.70	254.00	255.40	250.60	258.00	270.91
Purch. Idx - % Chg.	4.50	4.13	-7.60	-2.98				
Refinance Index	913.60	932.30	930.70	1023.20	913.60	1032.30	1373.32	2524.22
Refi. Idx - % Chg.	-2.01	0.17	-9.04	-7.74				
Ref % Tot	32.40	33.90	35.00	35.70	32.40	36.10	42.23	58.10

MBA 30-yr Fixed Mortgage Effective Rate	5.74	5.55	5.56	5.39	5.74	5.37	4.89	3.72
MBA 30-yr Fixed Points	0.73	0.63	0.67	0.66	0.73	0.62	0.57	0.42
MBA 15-yr Fixed Mortgage Contract Rate	4.79	4.68	4.68	4.44	4.79	4.45	4.00	2.92
MBA 15-yr Fixed Mortgage Effective Rate	4.79	4.68	4.68	4.44	4.79	4.45	4.00	2.92
MBA 15-yr Fixed Points	0.80	0.76	0.80	0.77	0.80	0.70	0.60	0.38
MBA 5-yr ARM Effective Rate	4.47	4.25	4.28	4.09	4.47	4.10	3.76	3.05

source: Mortgage Banker Association via Bloomberg Professional