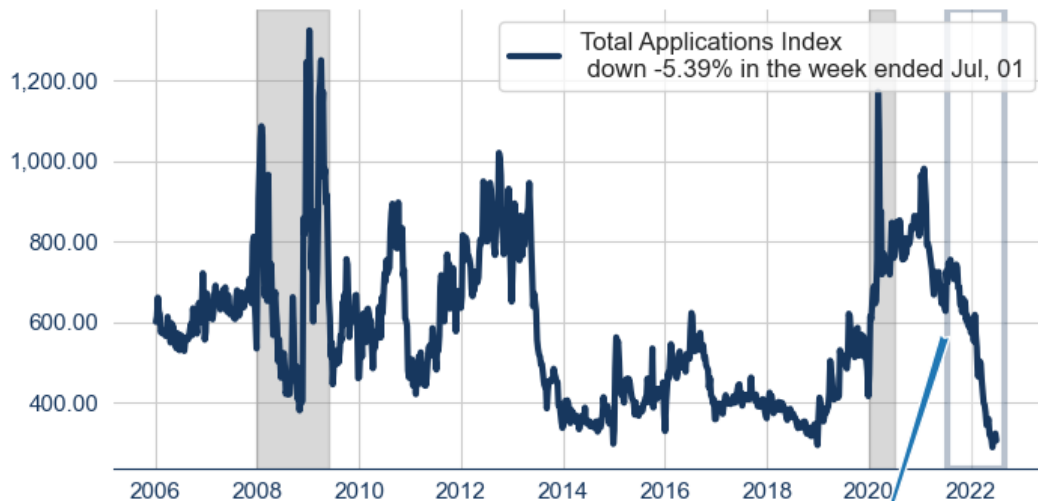


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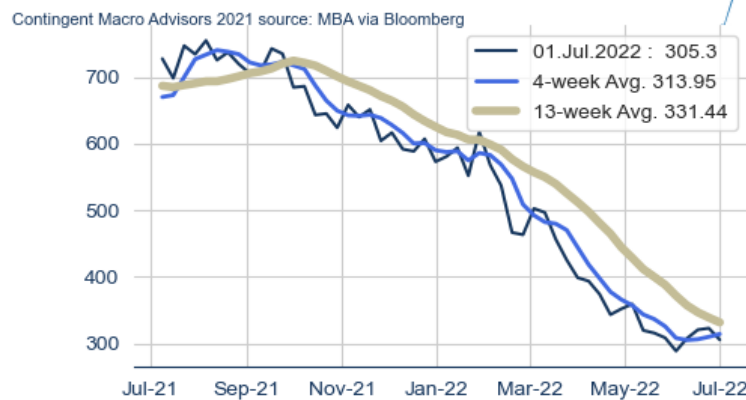
## **Mortgage Apps: Apps Drop for First Time in 4 Weeks**

**Bottom Line:** Mortgage applications fell for the first time in four weeks and remain firmly in a downtrend as mortgage rates remain historically high, despite the recent pullback. Current coupon yields in the secondary market were down over 65bps from mid-June, but rates in the primary market (those available to even the best credit borrowers) were only down about half that. The average 30-year fixed-rate adjusted for points paid fell from 6.20% in the week ended June 17th to 5.92%. **Overall, the trend in mortgage applications suggests that the slowdown in housing has continued since the last reported home sales figures. Moreover, there appears to be a risk that purchase application volume will fall below the levels seen from 2017-19 following changes in the tax code that limited mortgage interest deduction.**

## Total Applications Index



### Recent Trends



**The MBA Mortgage Application Index** FELL -5.4% to 305.0, BELOW the 13-week average of 331.0 and -51.3% BELOW the year-ago level. Non-seasonally adjusted the index ROSE 6.2%.

**The Purchase Index** FELL -4.3% to 233.0, BELOW the 13-week average of 237.0 and -7.8% BELOW the year-ago level.

**The Refinancing Index** FELL -7.7% to 670.0, BELOW the 13-week average of 834.0 and -76.0% BELOW the year-ago level.

The effective (adjusted for points paid) **30-year mortgage rate** FELL -10bps to 5.92%, ABOVE the 13-week average of 5.69% and 82bps ABOVE the year-ago level.

**Current coupon yields in the secondary market** were down -26.0 bps last week, closing at 4.25%, and were down -7.0 bps this week through Tuesday.

### Purchase Index

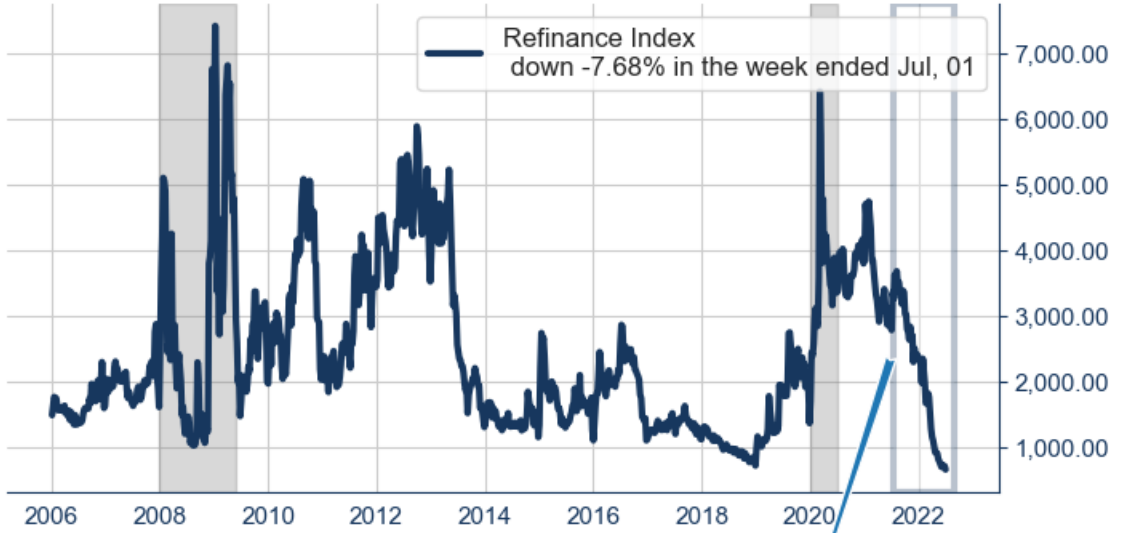


### Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg



# Refinance Index



## Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg

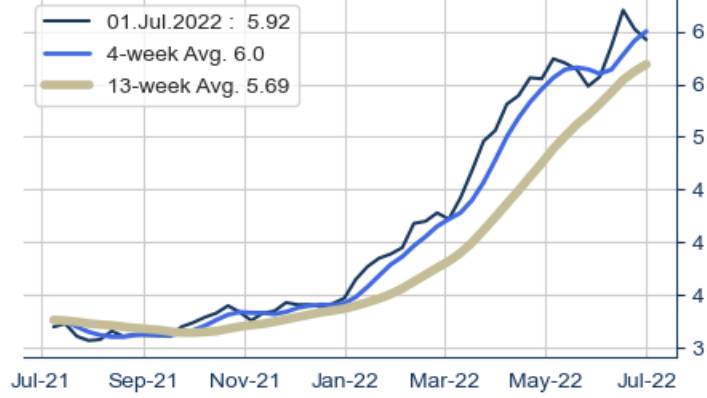


# MBA 30-yr Fixed Mortgage Effective Rate

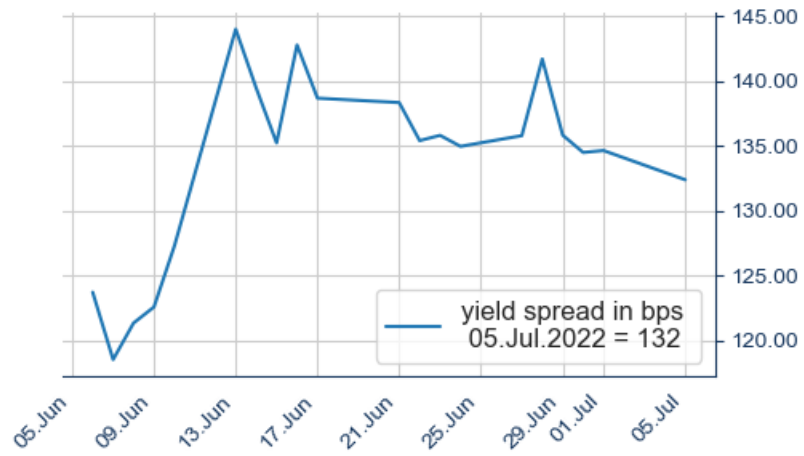


## Recent Trends

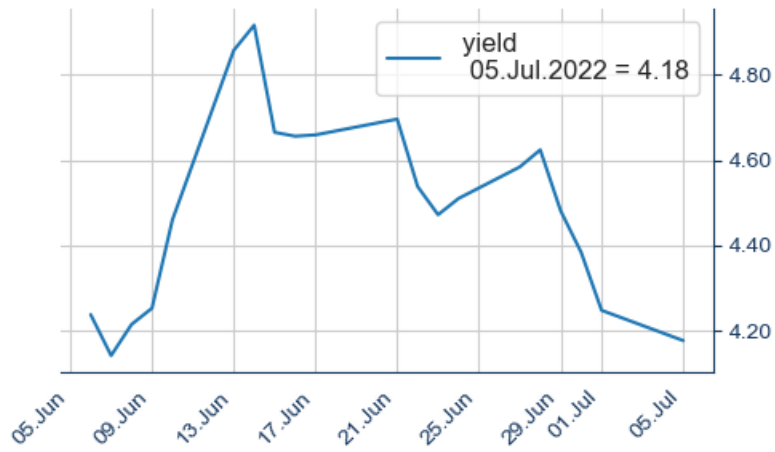
Contingent Macro Advisors 2021 source: MBA via Bloomberg



## MBS Current Coupon spread to Blend of Treasury Yields

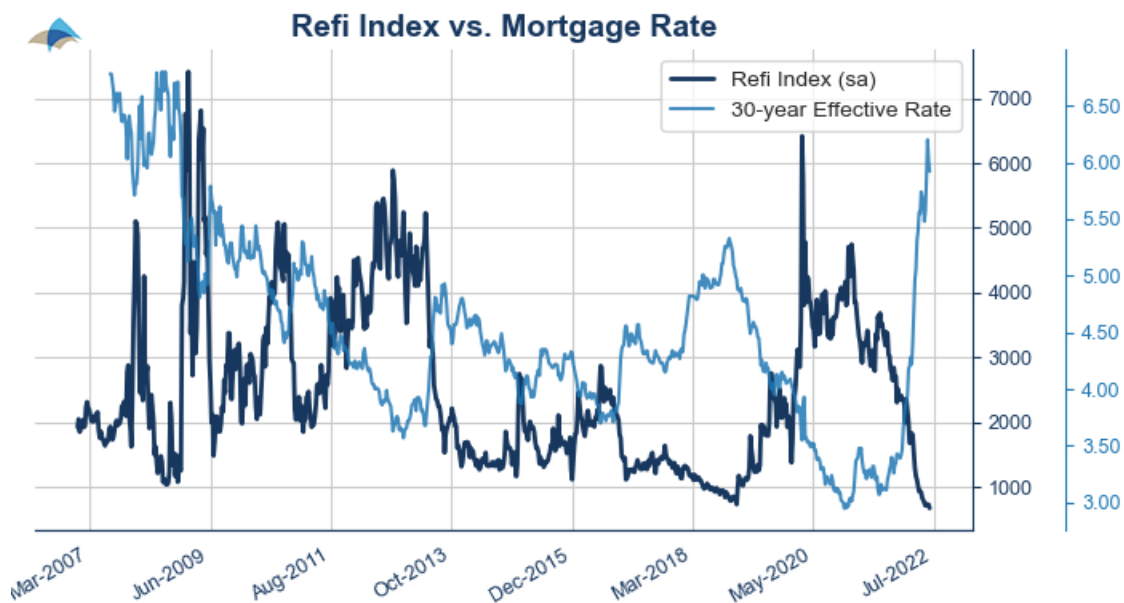
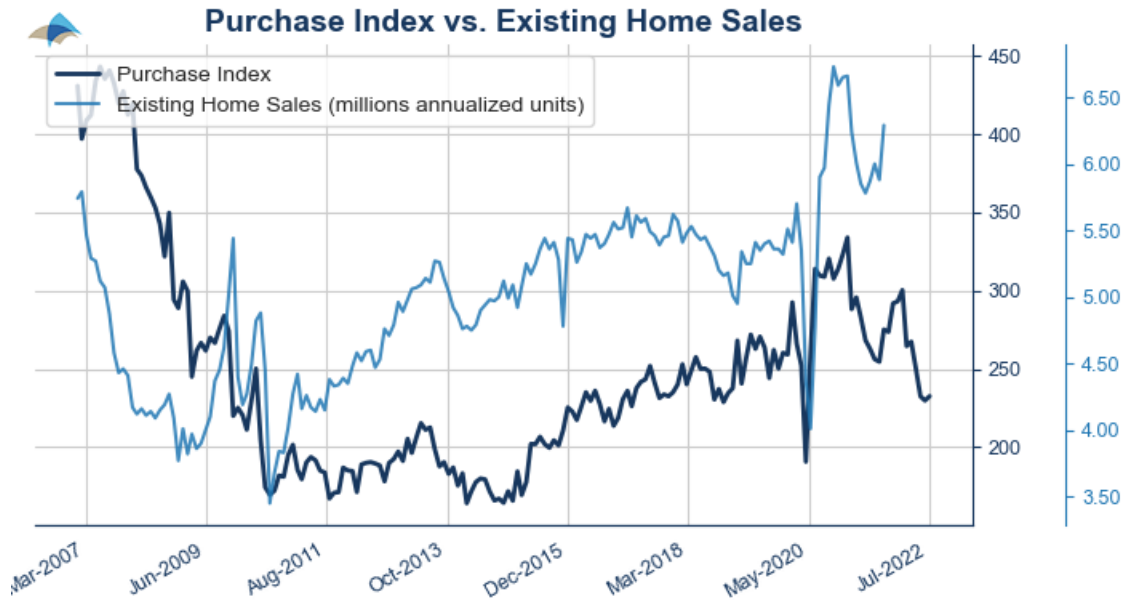


### MBS Current Coupon Yield



### Mortgage Rates





Weekly MBA Mortgage Application Survey	01.Jul	24.Jun	17.Jun	10.Jun	MTD Avg	Prior Mo. Avg.	13wk. Avg.	52wk. Avg.
<b>Total Applications Index</b>	<b>305.30</b>	<b>322.70</b>	<b>320.40</b>	<b>307.40</b>	<b>305.30</b>	<b>309.72</b>	<b>331.44</b>	<b>548.32</b>
<b>Week % Chg</b>	<b>-5.40</b>	<b>0.70</b>	<b>4.20</b>	<b>6.60</b>				
<b>Total Apps NSA % Chg.</b>	<b>6.20</b>	<b>-20.00</b>	<b>3.39</b>	<b>17.04</b>				
Purchase Index	232.60	243.10	242.80	225.00	232.60	229.78	236.66	265.64
Purch. Idx - % Chg.	-4.32	0.12	7.91	8.07				
Refinance Index	670.30	726.10	712.70	735.50	670.30	720.95	833.56	2171.70
Refi. Idx - % Chg.	-7.68	1.88	-3.10	3.66				
Ref % Tot	29.60	30.30	29.70	31.70	29.60	30.98	32.65	53.41



MBA 30-yr Fixed Mortgage Effective Rate	5.92	6.02	6.20	5.86	5.92	5.91	5.69	4.11
MBA 30-yr Fixed Points	0.65	0.64	0.77	0.71	0.65	0.68	0.66	0.46
MBA 15-yr Fixed Mortgage Contract Rate	4.96	5.06	5.05	4.79	4.96	4.88	4.73	3.27
MBA 15-yr Fixed Mortgage Effective Rate	4.96	5.06	5.05	4.79	4.96	4.88	4.73	3.27
MBA 15-yr Fixed Points	0.68	0.72	0.86	0.80	0.68	0.76	0.74	0.45
MBA 5-yr ARM Effective Rate	4.62	4.64	4.78	4.57	4.62	4.62	4.43	3.33
% of ARMs	9.50	10.10	10.60	8.10	9.50	9.25	9.25	5.22
% of \$ARMs	17.40	18.20	18.60	16.10	17.40	17.20	17.06	11.86

source: Mortgage Banker Association via Bloomberg Professional