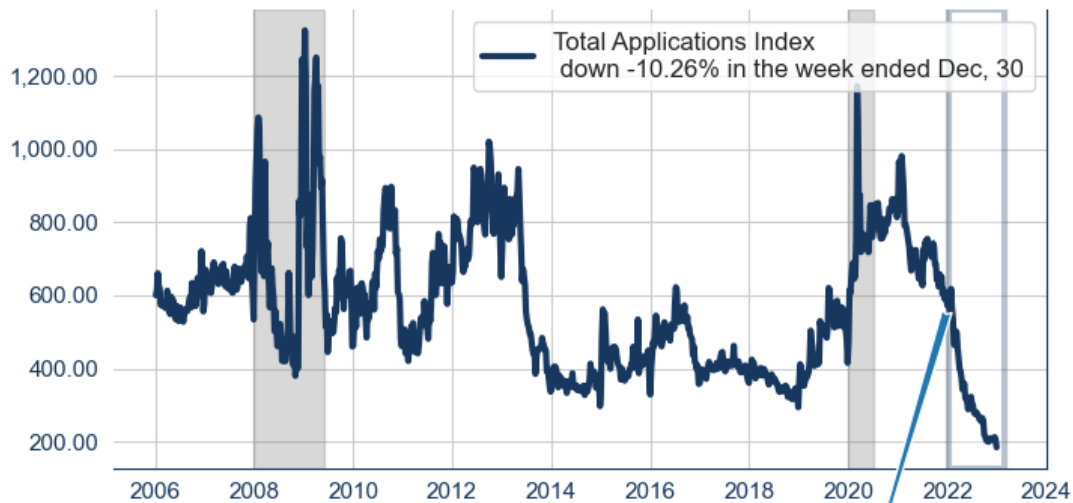


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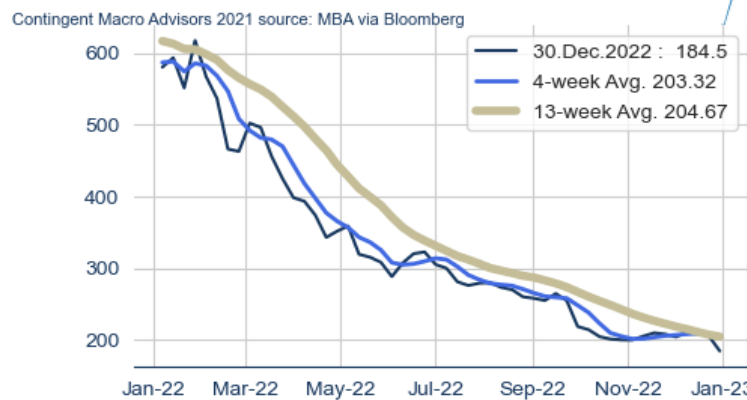
Mortgage Apps: Finish '22 At Record Low

Bottom Line: Mortgage applications fell sharply in the final week of the year as mortgage rates edged higher, ending a year of historic upward moves in mortgage rates and record declines in mortgage applications. While the seasonal adjustment factors can be difficult in the week between Christmas and New Years, there is no debating that mortgage activity all but turned off in the final two months of the year after the average 30-year fixed-rate mortgage eclipsed 7%. That said, there were hints of a rate impulse, with applications picking up just slightly when rates declined in early December. As we potentially near the end of the Fed rate hiking cycle, this will be important to watch in early 2023 if mortgage rates prove to have topped out.

Total Applications Index



Recent Trends



The MBA Mortgage Application Index FELL sharply , DOWN -10.3% to 184.0, BELOW the 13-week average of 205.0 and -67.8% BELOW the year-ago level. Non-seasonally adjusted the index FELL sharply , DOWN -20.5%.

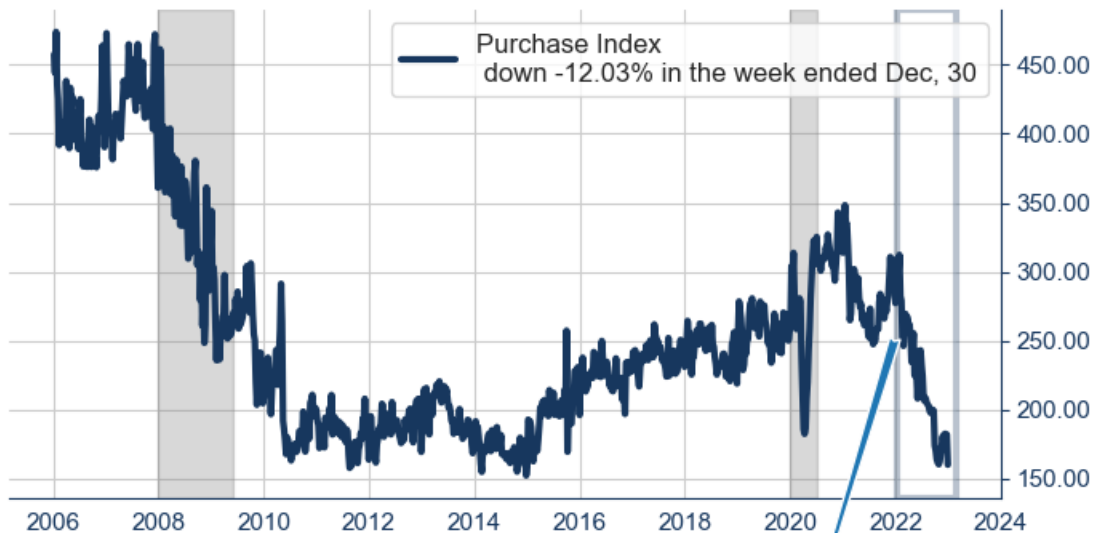
The Purchase Index FELL sharply, DOWN from -12.0% to 160.0, BELOW the 13-week average of 171.0 and -42.2% BELOW the year-ago level.

The Refinancing Index FELL -4.4% to 311.0, BELOW the 13-week average of 364.0 and -86.8% BELOW the year-ago level.

The effective (adjusted for points paid) **30-year mortgage rate** ROSE 18bps to 6.79%, BELOW the 13-week average of 6.93% but 96bps ABOVE the year-ago level.

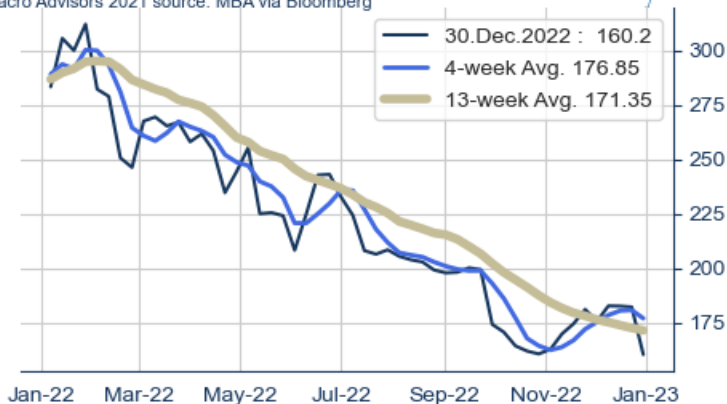
Current coupon yields in the secondary market were up 19.0 bps last week, closing at 5.39%, but were down -8.0 bps this week through Tuesday.

Purchase Index

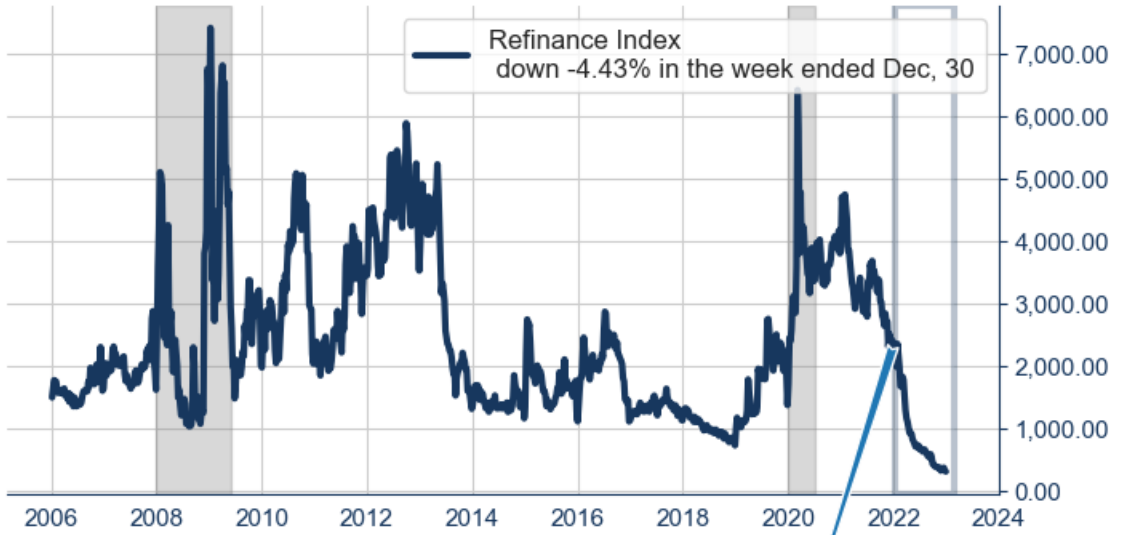


Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg

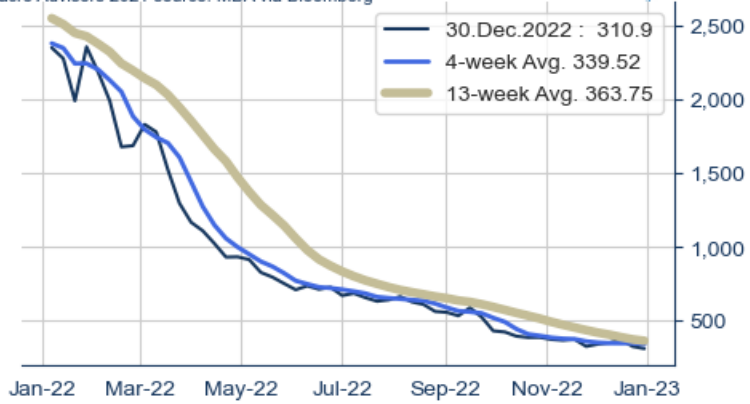


Refinance Index



Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg

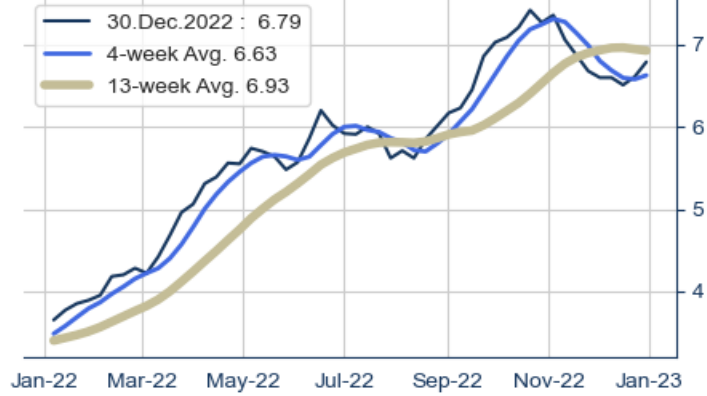


MBA 30-yr Fixed Mortgage Effective Rate

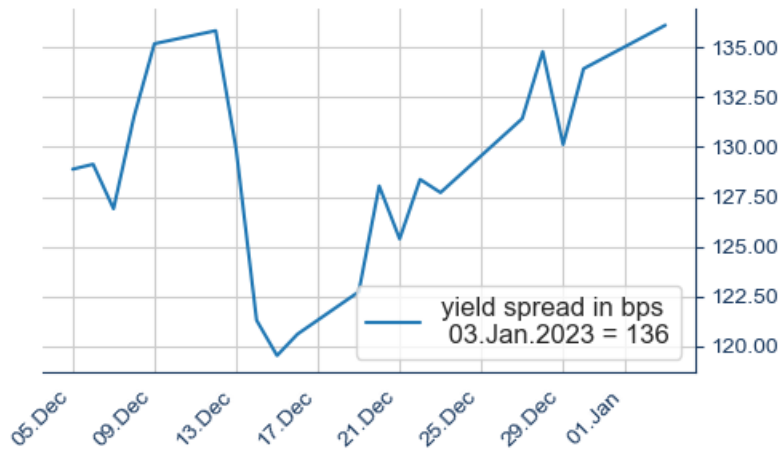


Recent Trends

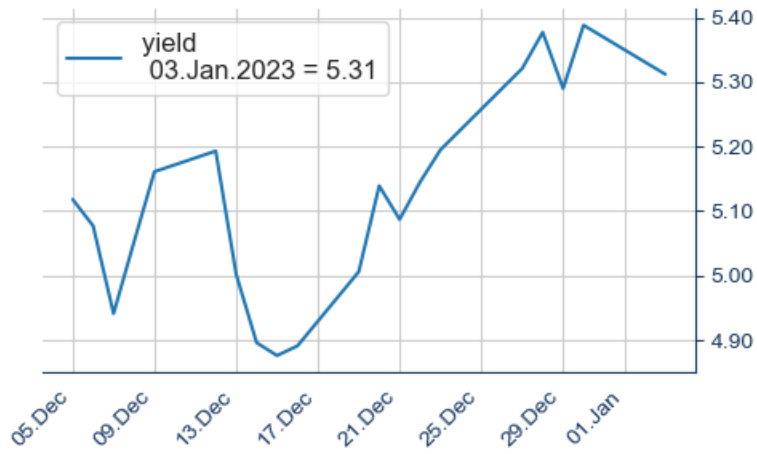
Contingent Macro Advisors 2021 source: MBA via Bloomberg



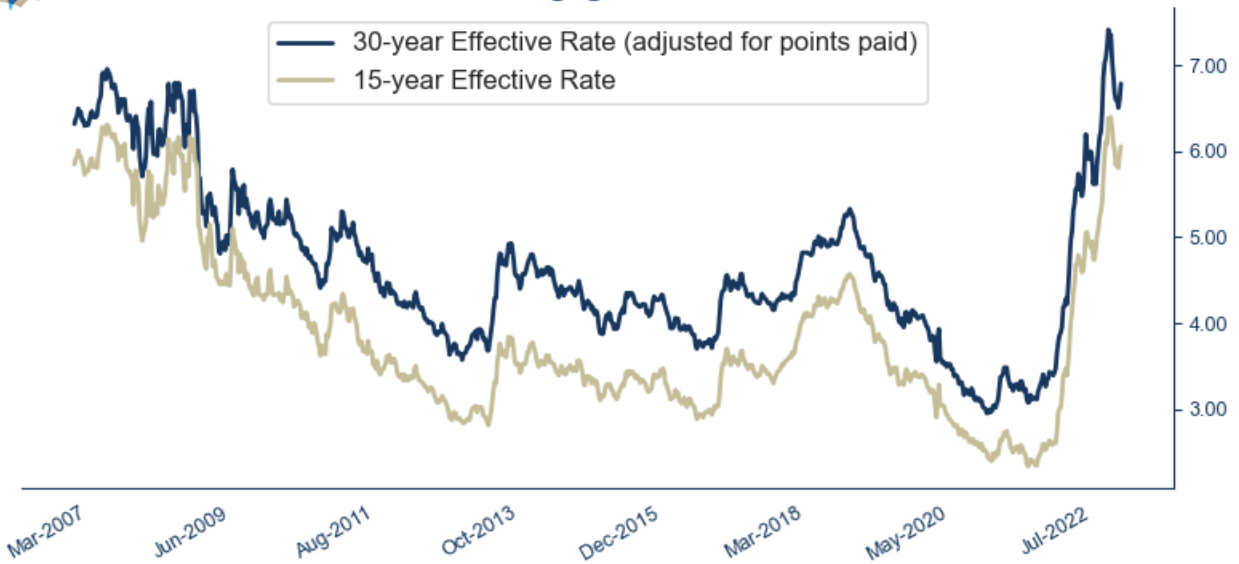
MBS Current Coupon spread to Blend of Treasury Yields

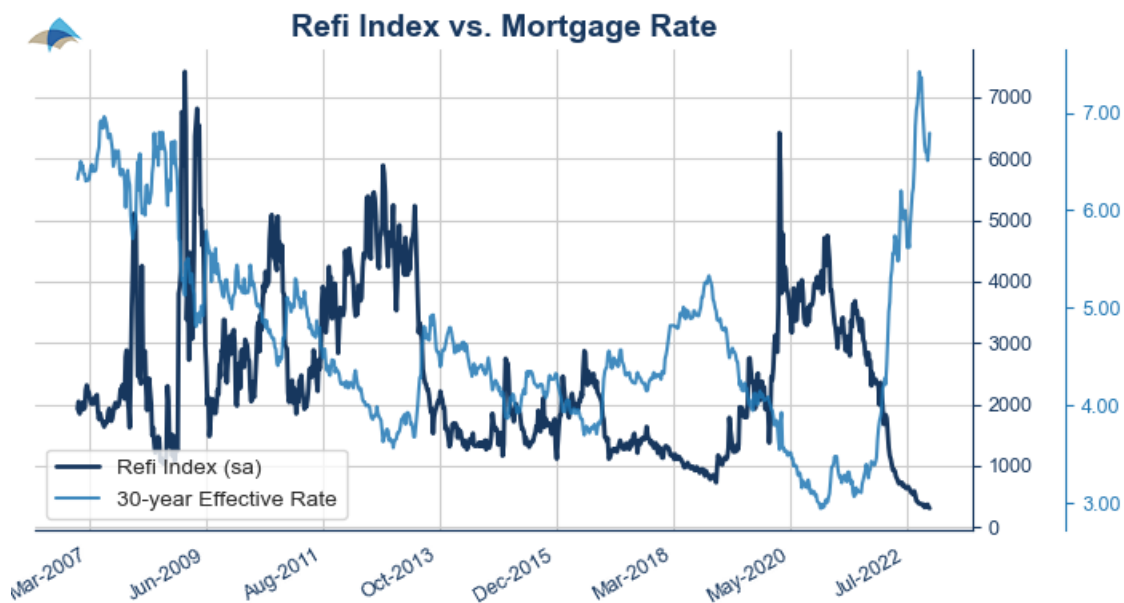
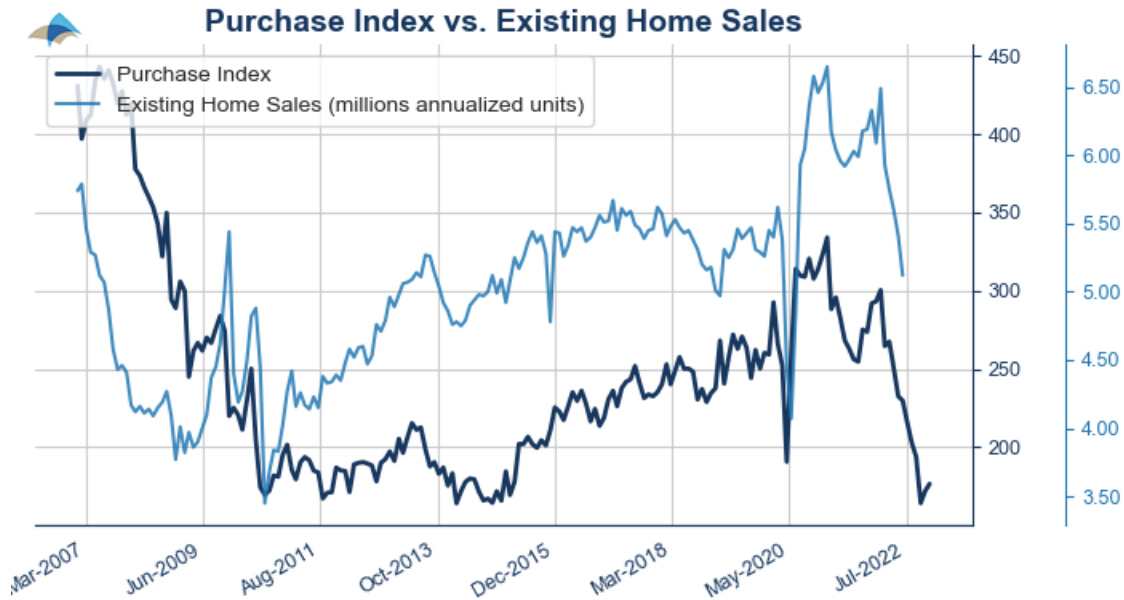


MBS Current Coupon Yield



Mortgage Rates





Weekly MBA Mortgage Application Survey	30.Dec	23.Dec	16.Dec	09.Dec	MTD Avg	Prior Mo. Avg.	13wk. Avg.	52wk. Avg.
Total Applications Index	184.50	205.60	212.50	210.70	203.50	205.75	204.67	328.79
Week % Chg	-10.30	-3.20	0.90	3.20				
Total Apps NSA % Chg.	-20.48	-23.77	-0.47	0.35				
Purchase Index	160.20	182.10	182.50	182.60	176.58	171.92	171.35	221.52
Purch. Idx - % Chg.	-12.03	-0.22	-0.05	4.05				
Refinance Index	310.90	325.30	371.40	350.50	339.78	359.83	363.75	910.99
Refi. Idx - % Chg.	-4.43	-12.41	5.96	2.85				
Ref % Tot	30.30	28.80	31.30	29.40	29.70	27.55	28.68	35.90
MBA 30-yr Fixed	6.79	6.61	6.51	6.60	6.62	6.99	6.93	5.74

Mortgage Effective Rate								
MBA 30-yr Fixed Points	0.73	0.65	0.59	0.64	0.65	0.67	0.73	0.65
MBA 15-yr Fixed Mortgage Contract Rate	6.06	5.97	5.81	5.92	5.92	6.19	6.10	4.84
MBA 15-yr Fixed Mortgage Effective Rate	6.06	5.97	5.81	5.92	5.92	6.19	6.10	4.84
MBA 15-yr Fixed Points	0.70	0.57	0.53	0.54	0.58	0.81	0.86	0.73
MBA 5-yr ARM Effective Rate	5.61	5.45	5.43	5.58	5.53	5.72	5.64	4.55
% of ARMs	7.30	7.90	7.50	7.70	7.60	10.10	9.80	8.25
% of \$ARMs	14.60	16.00	15.80	17.10	15.86	20.00	19.07	16.20

source: Mortgage Banker Association via Bloomberg Professional