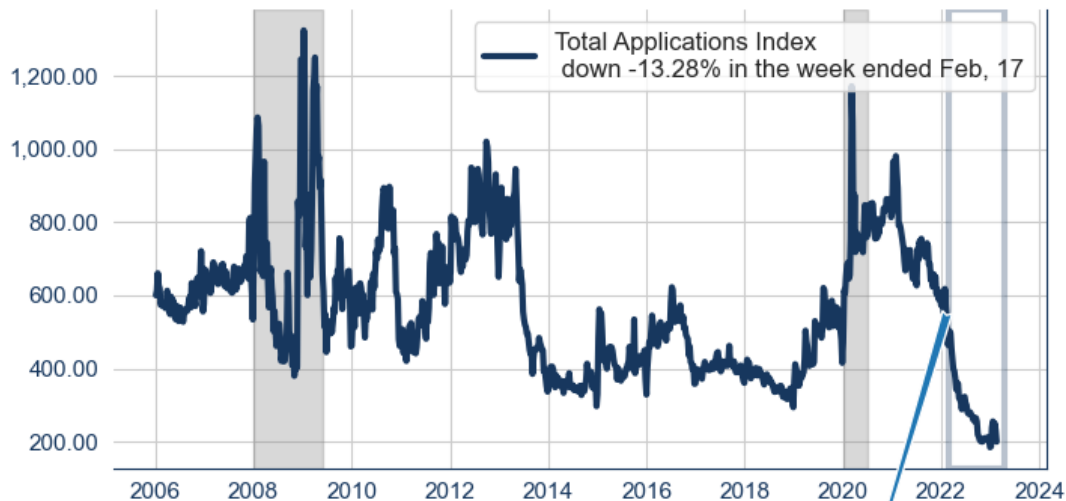


22.Feb.2023

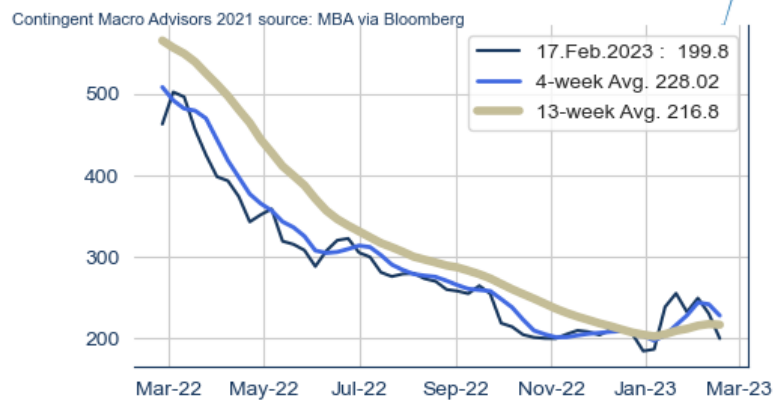
## **Mortgage Apps: Another Sharp Drop, Record Low for Purchases**

**Bottom Line:** Mortgage rates rose sharply again last week, rebounding to 6.84% from 6 3/8% in late January on the average 30-year fixed rate. Purchase applications hit a new low as applications for refinancing edged lower. Despite most homeowners enjoying fixed rates below 4%, the mortgage market remains remarkably sensitive to moves in mortgage rates. Before the sudden rebound in mortgage rates, applications appeared to be finding a bottom. But that is now in question and bears close watching as rate, and spread volatility has started to increase again.

## Total Applications Index



### Recent Trends



**The MBA Mortgage Application Index** FELL sharply, DOWN -13.3% to 200.0, BELOW the 13-week average of 217.0 and -57.2% BELOW the year-ago level. Non-seasonally adjusted the index FELL slightly, DOWN -3.7%.

**The Purchase Index** FELL sharply, DOWN -18.1% to 147.0, BELOW the 13-week average of 179.0 and -41.3% BELOW the year-ago level.

**The Refinancing Index** FELL slightly, DOWN -2.2% to 470.0, ABOVE the 13-week average of 404.0 but -72.0% BELOW the year-ago level.

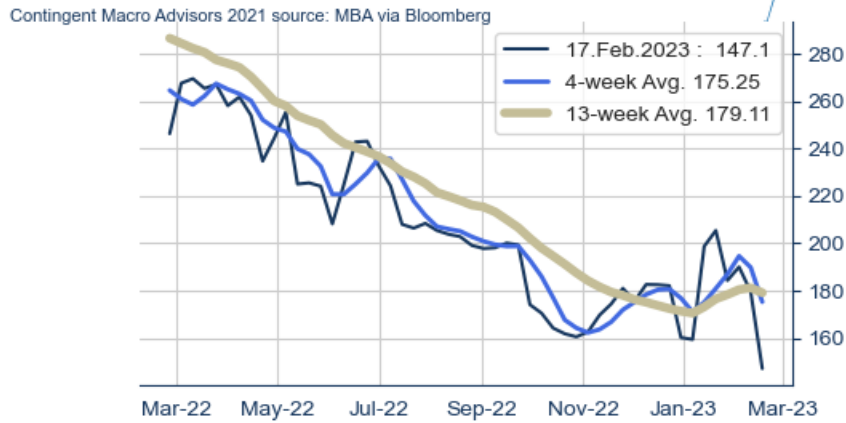
The effective (adjusted for points paid) **30-year mortgage rate** ROSE sharply, UP 24bps to 6.84%, ABOVE the 13-week average of 6.57% and 63bps ABOVE the year-ago level.

Current coupon yields in the secondary market were up 7.0 bps last week, closing at 5.38%, and were up 22.0 bps this week through Tuesday.

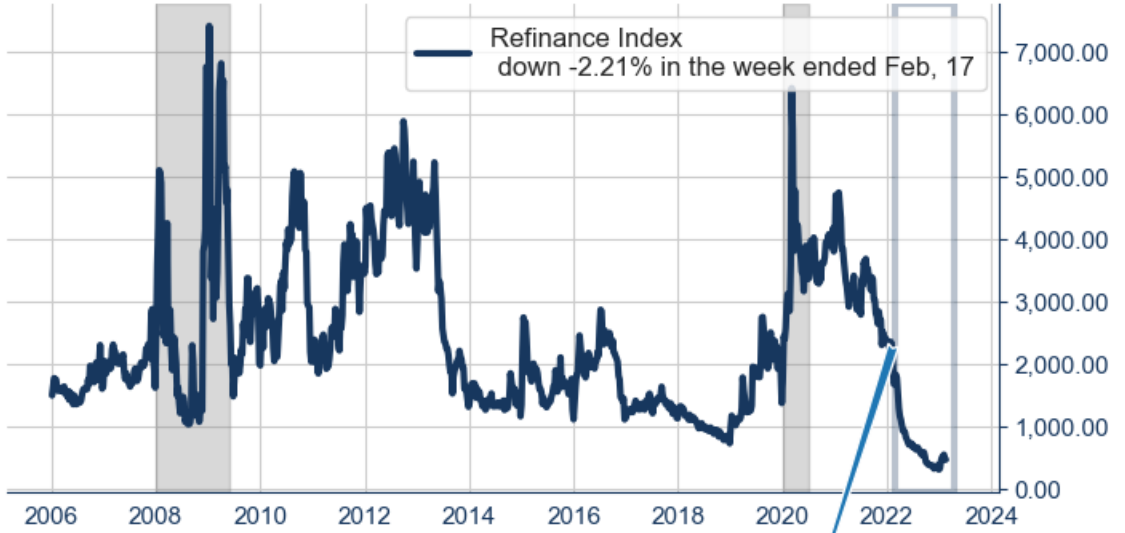
### Purchase Index



### Recent Trends

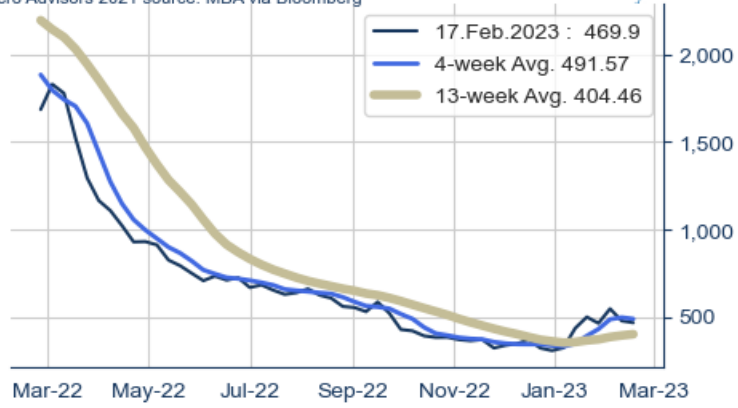


# Refinance Index



## Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg

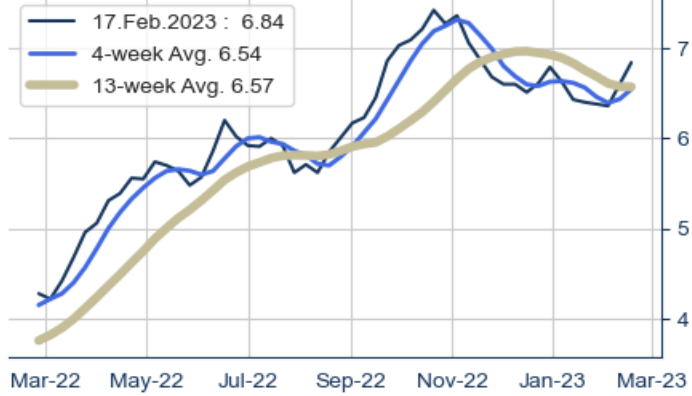


# MBA 30-yr Fixed Mortgage Effective Rate

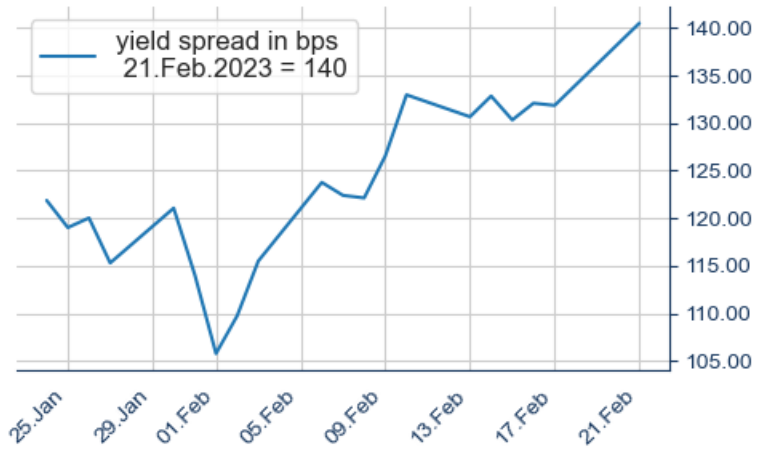


## Recent Trends

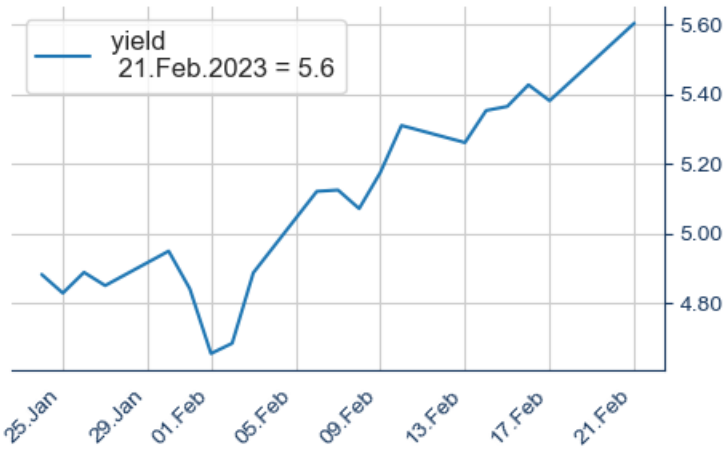
Contingent Macro Advisors 2021 source: MBA via Bloomberg



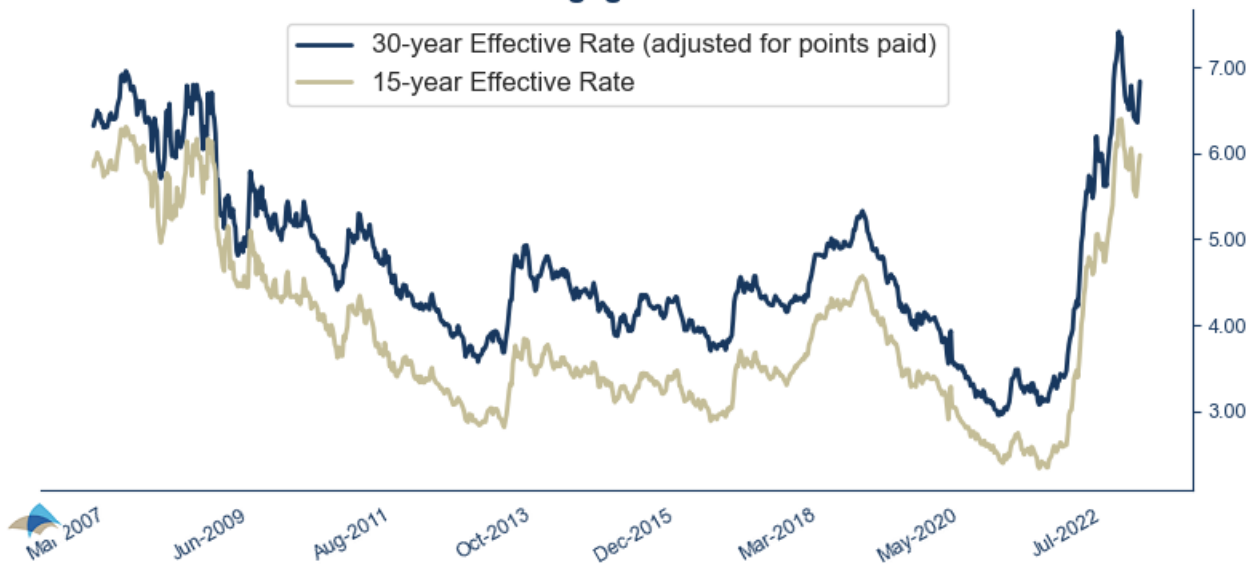
## MBS Current Coupon spread to Blend of Treasury Yields



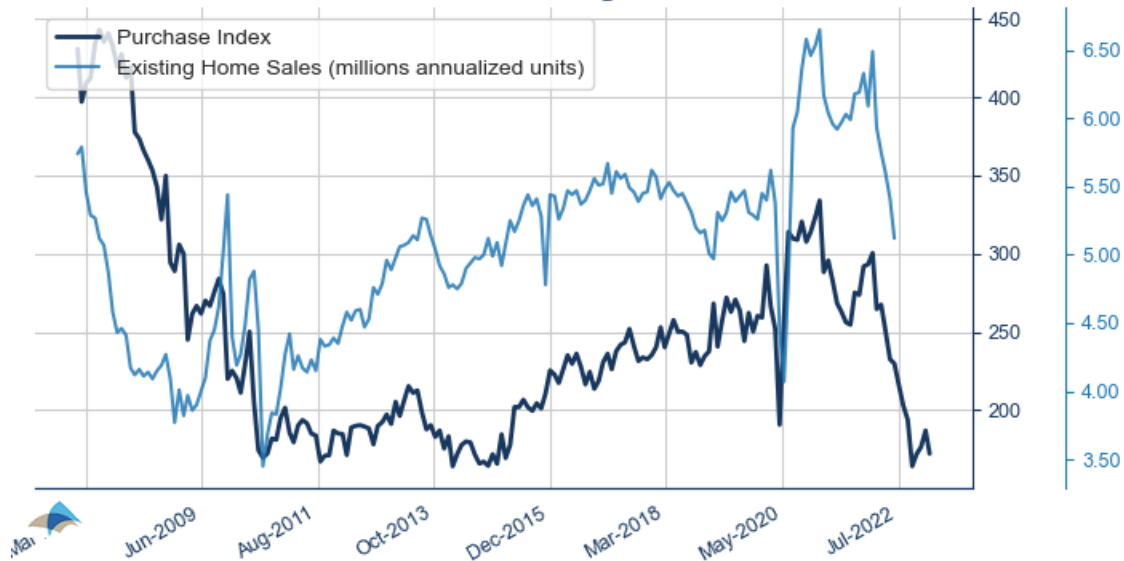
### MBS Current Coupon Yield



### Mortgage Rates



### Purchase Index vs. Existing Home Sales



### Refi Index vs. Mortgage Rate



Weekly MBA Mortgage Application Survey	17.Feb	10.Feb	03.Feb	27.Jan	MTD Avg	Prior Mo. Avg.	13wk. Avg.	52wk. Avg.
<b>Total Applications Index</b>	<b>199.80</b>	<b>230.40</b>	<b>249.50</b>	<b>232.40</b>	<b>226.57</b>	<b>228.28</b>	<b>216.80</b>	<b>284.13</b>
<b>Week % Chg</b>	<b>-13.30</b>	<b>-7.70</b>	<b>7.40</b>	<b>-9.00</b>				
<b>Total Apps NSA % Chg.</b>	<b>-3.66</b>	<b>-7.30</b>	<b>8.28</b>	<b>5.81</b>				
Purchase Index	147.10	179.60	190.00	184.30	172.23	186.95	179.11	207.12
Purch. Idx - % Chg.	-18.10	-5.47	3.09	-10.27				
Refinance Index	469.90	480.50	549.30	466.60	499.90	433.48	404.46	688.16
Refi. Idx - % Chg.	-2.21	-12.53	17.72	-7.11				
Ref % Tot	32.50	32.00	33.90	31.20	32.80	31.25	30.62	32.57
MBA 30-yr Fixed	6.84	6.60	6.36	6.38	6.60	6.46	6.57	6.09



Mortgage Effective Rate								
MBA 30-yr Fixed Points	0.75	0.70	0.64	0.65	0.70	0.68	0.67	0.68
MBA 15-yr Fixed Mortgage Contract Rate	5.98	5.85	5.64	5.50	5.82	5.64	5.82	5.19
MBA 15-yr Fixed Mortgage Effective Rate	5.98	5.85	5.64	5.50	5.82	5.64	5.82	5.19
MBA 15-yr Fixed Points	0.93	0.81	0.63	0.73	0.79	0.60	0.64	0.76
MBA 5-yr ARM Effective Rate	5.66	5.53	5.56	5.38	5.58	5.38	5.49	4.86
% of ARMs	7.60	6.90	6.60	6.70	7.03	6.77	7.32	8.59
% of \$ARMs	15.30	14.90	14.10	13.80	14.77	13.90	15.20	16.70

source: Mortgage Banker Association via Bloomberg Professional