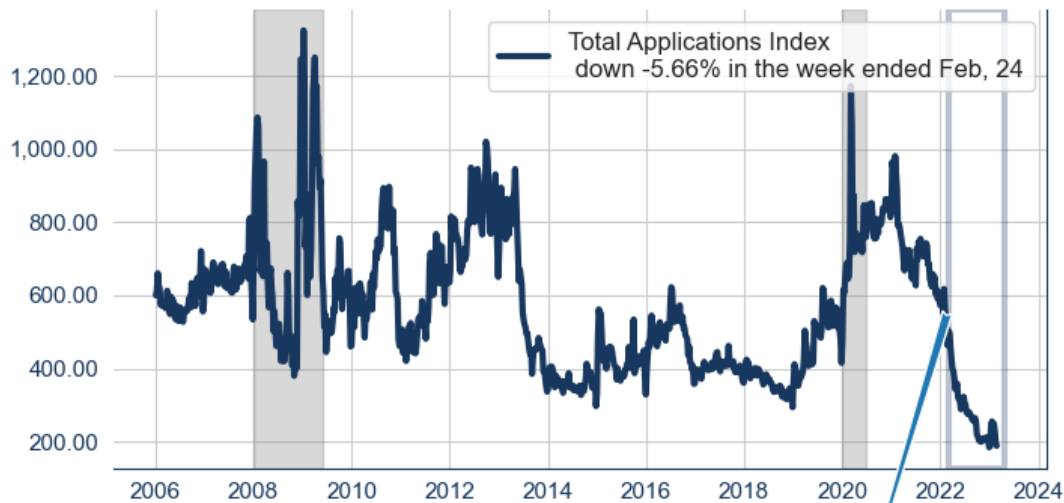


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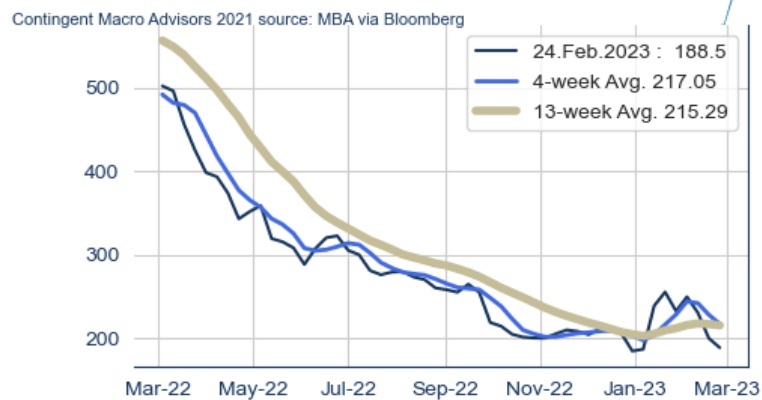
Mortgage Apps: Yet Another Sharp Drop, Record Low for Purchases

Bottom Line: Mortgage applications fell again last week as the average 30-year fixed rate rose to nearly 7%, up from 6 3/8% in late January on the average 30-year fixed rate. Purchase applications hit a new low as applications for refinancing approached their recent lows. 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 mortgage rate and spread volatility have started to increase again. On the plus side, current coupon yields were a touch lower in the first few days of trading this week, and spreads to Treasuries have started to stabilize after significant widening.

Total Applications Index



Recent Trends



The MBA Mortgage Application Index FELL -5.7% to 188.0, BELOW the 13-week average of 215.0 and -59.3% BELOW the year-ago level. Non-seasonally adjusted the index FELL slightly , DOWN -3.6%.

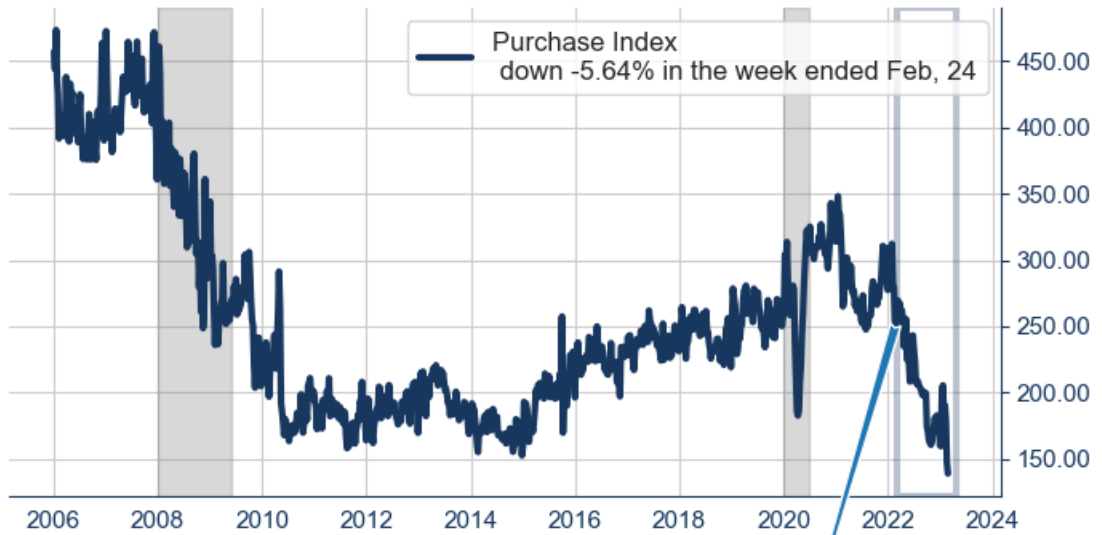
The Purchase Index FELL -5.6% to 139.0, BELOW the 13-week average of 176.0 and -43.6% BELOW the year-ago level.

The Refinancing Index FELL -5.5% to 444.0, ABOVE the 13-week average of 414.0 but -73.7% BELOW the year-ago level.

The effective (adjusted for points paid) 30-year mortgage rate ROSE 9bps to 6.93%, ABOVE the 13-week average of 6.59% and 62bps ABOVE the year-ago level.

Current coupon yields in the secondary market were up 20.0 bps last week , closing at 5.58%, and were down -6.0 bps this week through Tuesday.

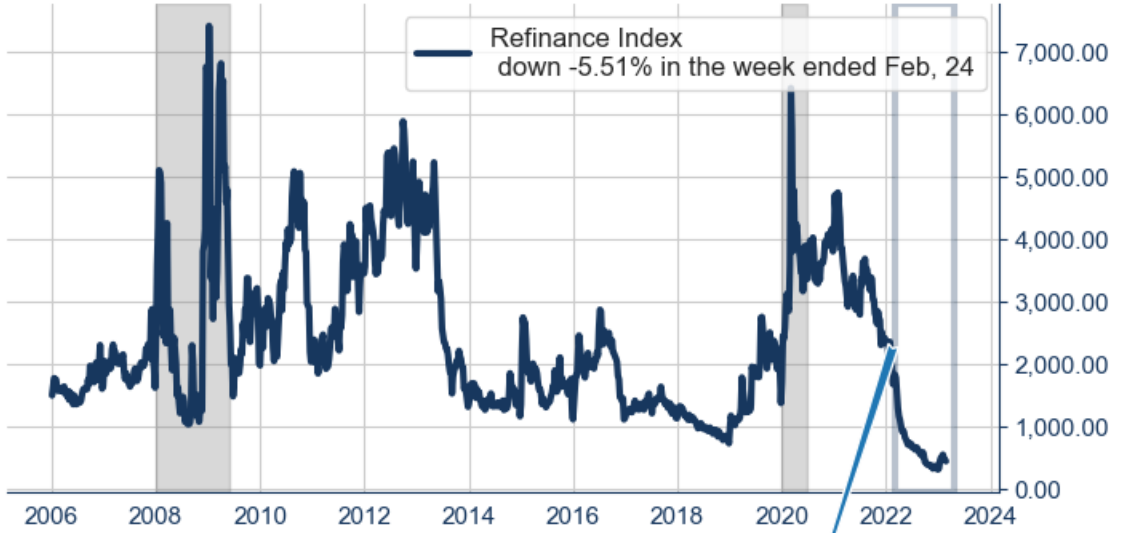
Purchase Index



Recent Trends

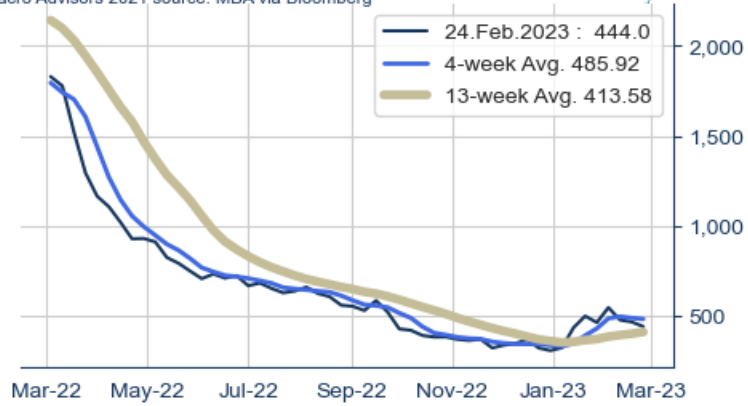


Refinance Index

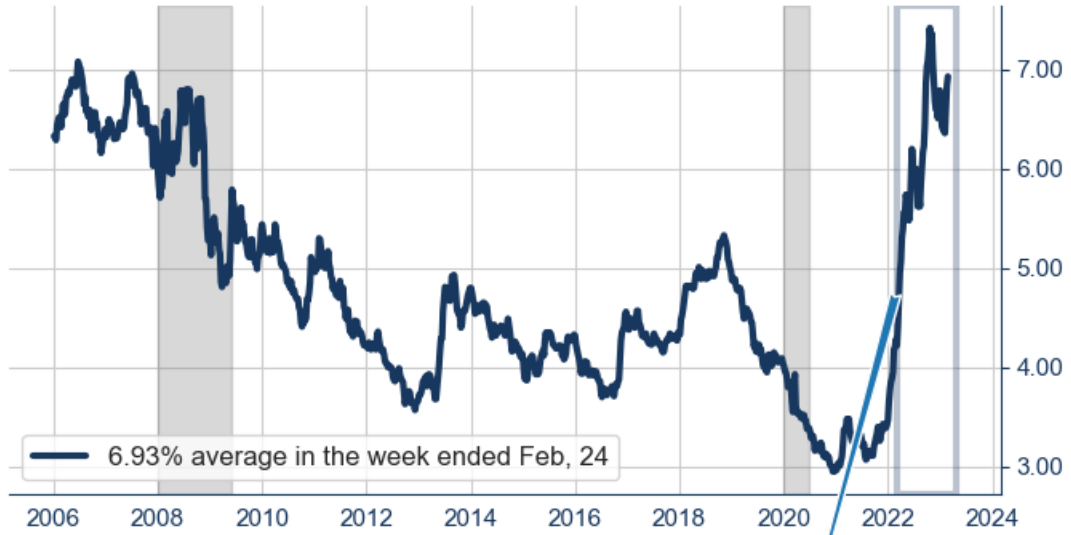


Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg

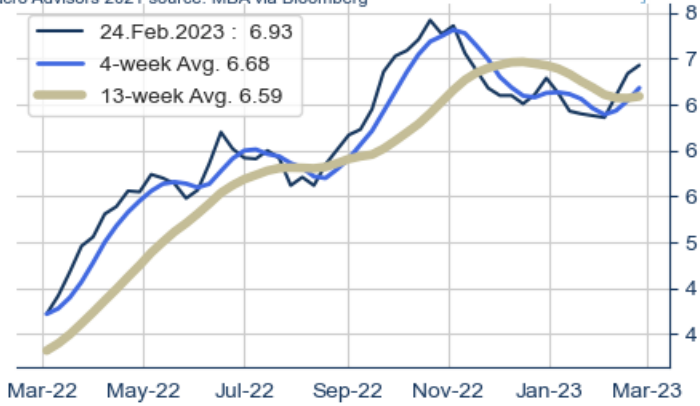


MBA 30-yr Fixed Mortgage Effective Rate

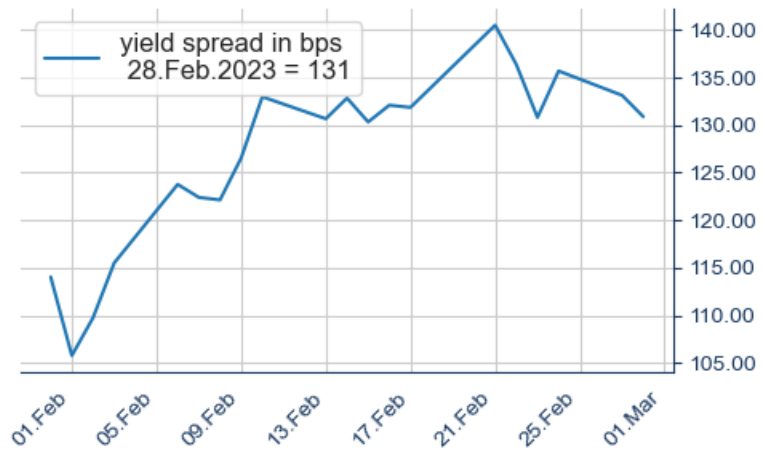


Recent Trends

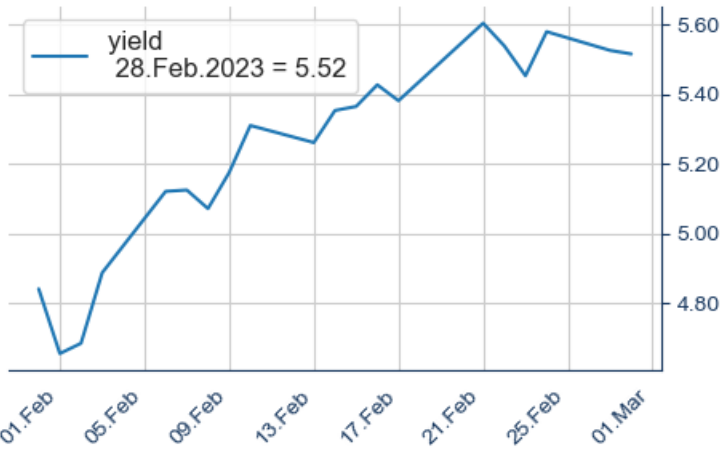
Contingent Macro Advisors 2021 source: MBA via Bloomberg



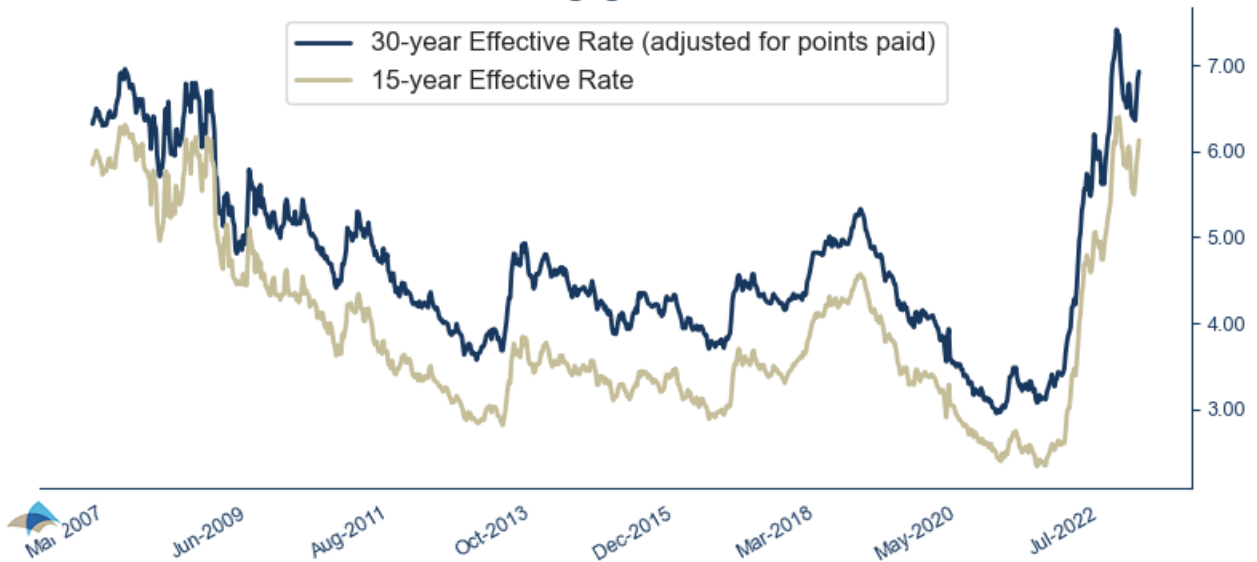
MBS Current Coupon spread to Blend of Treasury Yields



MBS Current Coupon Yield



Mortgage Rates



Purchase Index vs. Existing Home Sales



Refi Index vs. Mortgage Rate



Weekly MBA Mortgage Application Survey	24.Feb	17.Feb	10.Feb	03.Feb	MTD Avg	Prior Mo. Avg.	13wk. Avg.	52wk. Avg.
Total Applications Index	188.50	199.80	230.40	249.50	217.05	228.28	215.29	278.85
Week % Chg	-5.70	-13.30	-7.70	7.40				
Total Apps NSA % Chg.	-3.56	-3.66	-7.30	8.28				
Purchase Index	138.80	147.10	179.60	190.00	163.88	186.95	175.86	205.05
Purch. Idx - % Chg.	-5.64	-18.10	-5.47	3.09				
Refinance Index	444.00	469.90	480.50	549.30	485.92	433.48	413.58	664.28
Refi. Idx - % Chg.	-5.51	-2.21	-12.53	17.72				
Ref % Tot	31.80	32.50	32.00	33.90	32.55	31.25	31.05	32.22
MBA 30-yr Fixed	6.93	6.84	6.60	6.36	6.68	6.46	6.59	6.14

Mortgage Effective Rate								
MBA 30-yr Fixed Points	0.77	0.75	0.70	0.64	0.71	0.68	0.68	0.69
MBA 15-yr Fixed Mortgage Contract Rate	6.13	5.98	5.85	5.64	5.90	5.64	5.83	5.24
MBA 15-yr Fixed Mortgage Effective Rate	6.13	5.98	5.85	5.64	5.90	5.64	5.83	5.24
MBA 15-yr Fixed Points	0.93	0.93	0.81	0.63	0.83	0.60	0.66	0.77
MBA 5-yr ARM Effective Rate	5.73	5.66	5.53	5.56	5.62	5.38	5.51	4.91
% of ARMs	8.10	7.60	6.90	6.60	7.30	6.77	7.25	8.64
% of \$ARMs	16.50	15.30	14.90	14.10	15.20	13.90	15.05	16.78

source: Mortgage Banker Association via Bloomberg Professional