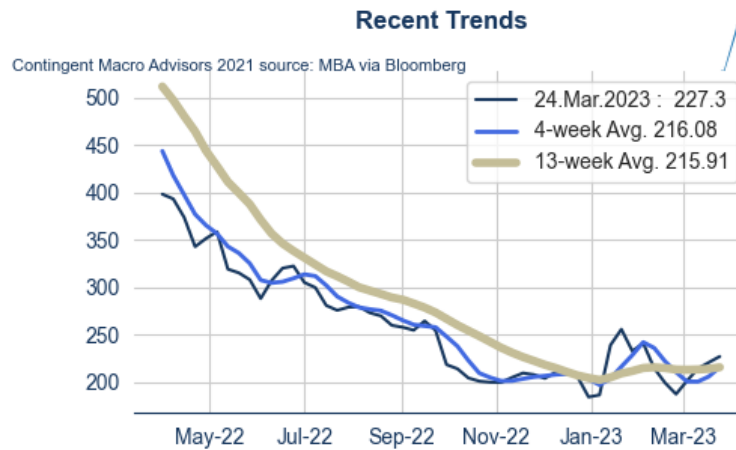
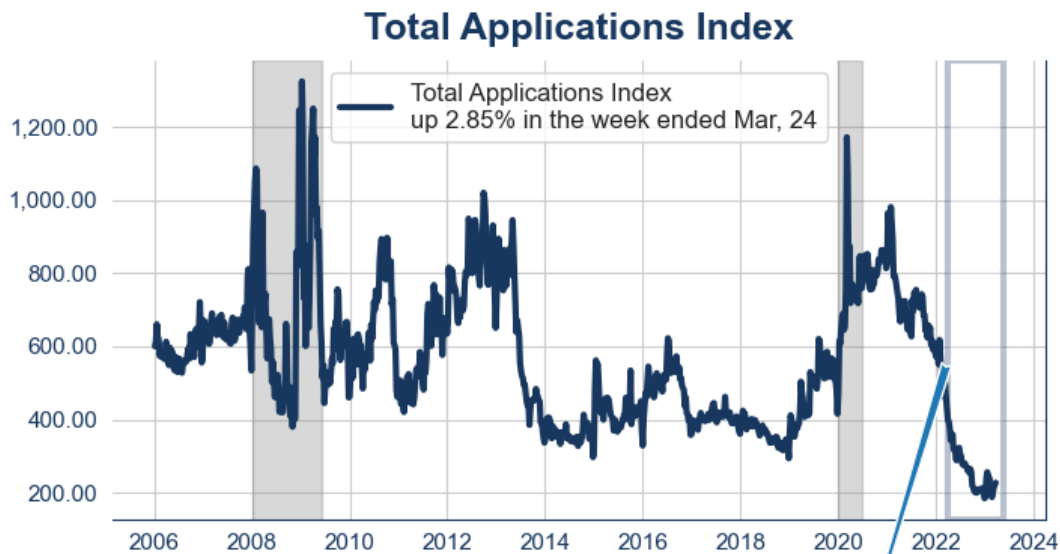


29.Mar.2023

Mortgage Apps: Further Stabilization

Bottom Line: Despite historically high mortgage rates (30-year fixed still over 6.5%) and bank failures, mortgage applications continued to rise modestly over the last four weeks. Gains were led by applications for refinancing last week as purchase applications also rose modestly. Overall, while the level of mortgage applications remains historically low, the increase in applications coincides with continued hints of stabilization in the housing market. Despite the financial market turbulence, there is still underlying demand for housing that appears likely to stabilize the residential market as it rebalances to a new equilibrium after a record move in mortgage rates last year.



The MBA Mortgage Application Index ROSE 2.9% to 227.0, ABOVE the 13-week average of 216.0 but -46.5% BELOW the year-ago level. Non-seasonally adjusted the index ROSE slightly, UP 3.0%.

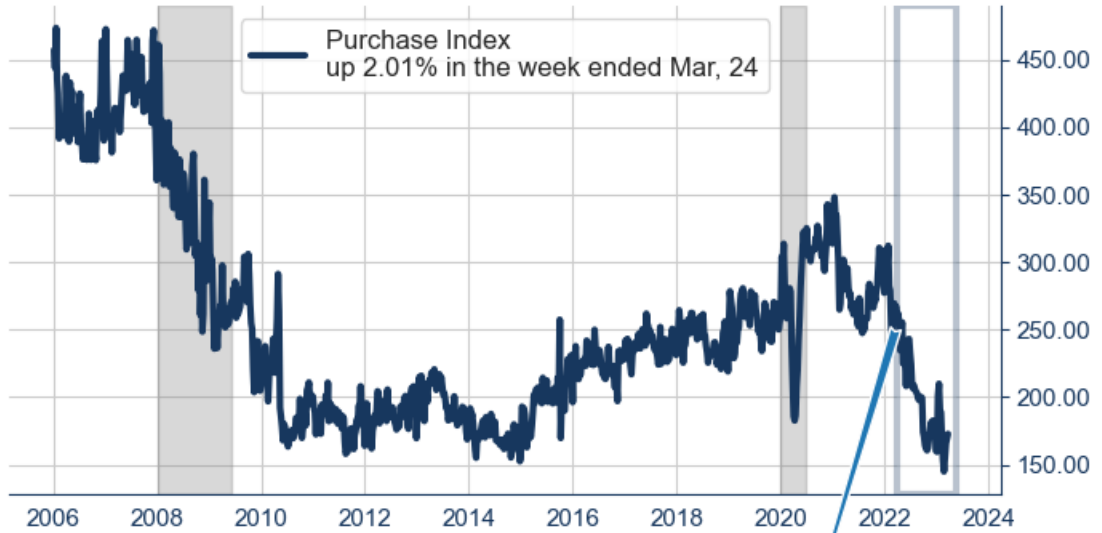
The Purchase Index ROSE 2.0% to 173.0, ABOVE the 13-week average of 172.0 but -35.3% BELOW the year-ago level.

The Refinancing Index ROSE 4.8% to 504.0, ABOVE the 13-week average of 432.0 but -61.1% BELOW the year-ago level.

The effective (adjusted for points paid) 30-year mortgage rate FELL slightly, DOWN -4bps to 6.63%, BELOW the 13-week average of 6.66% but 34bps ABOVE the year-ago level.

Current coupon yields in the secondary market were down -11.0 bps last week, closing at 4.92%, and were up 25.0 bps this week through Tuesday.

Purchase Index



Recent Trends

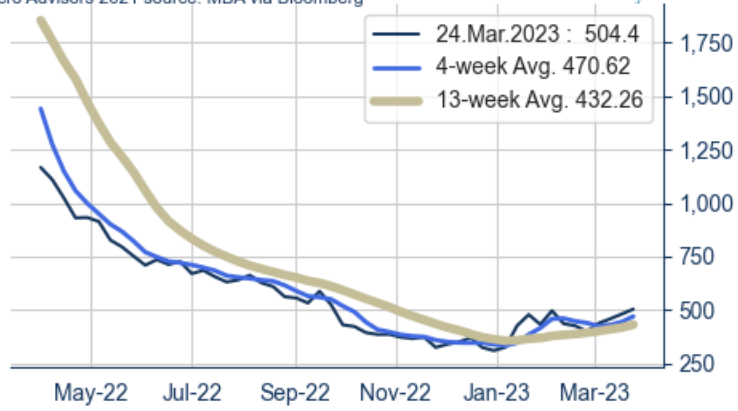


Refinance Index



Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg

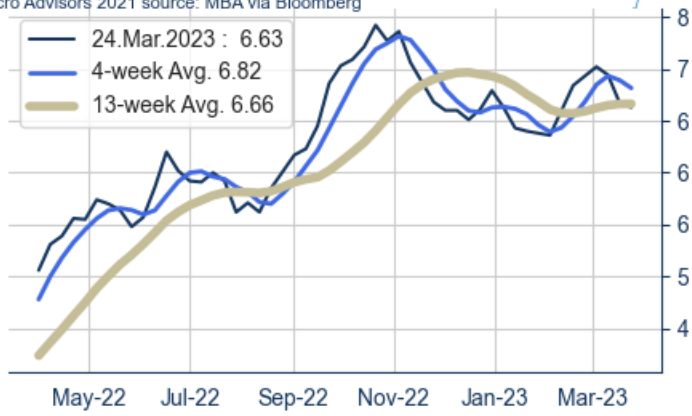


MBA 30-yr Fixed Mortgage Effective Rate

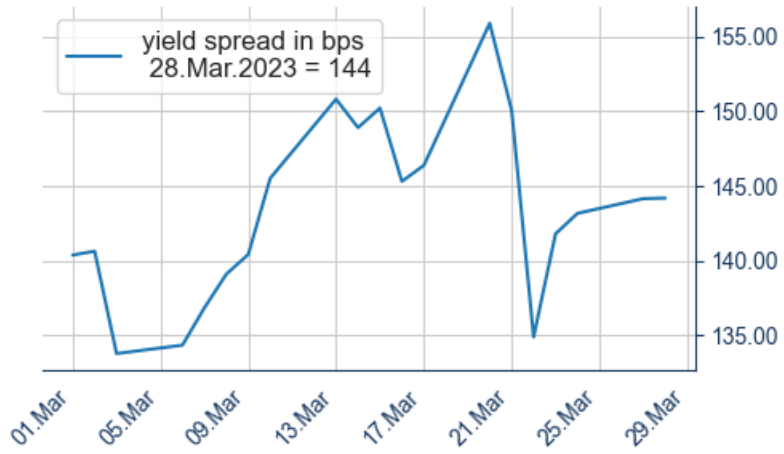


Recent Trends

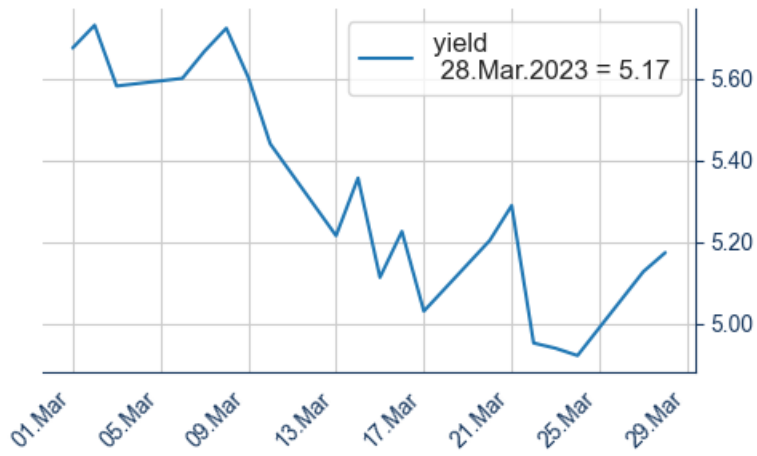
Contingent Macro Advisors 2021 source: MBA via Bloomberg



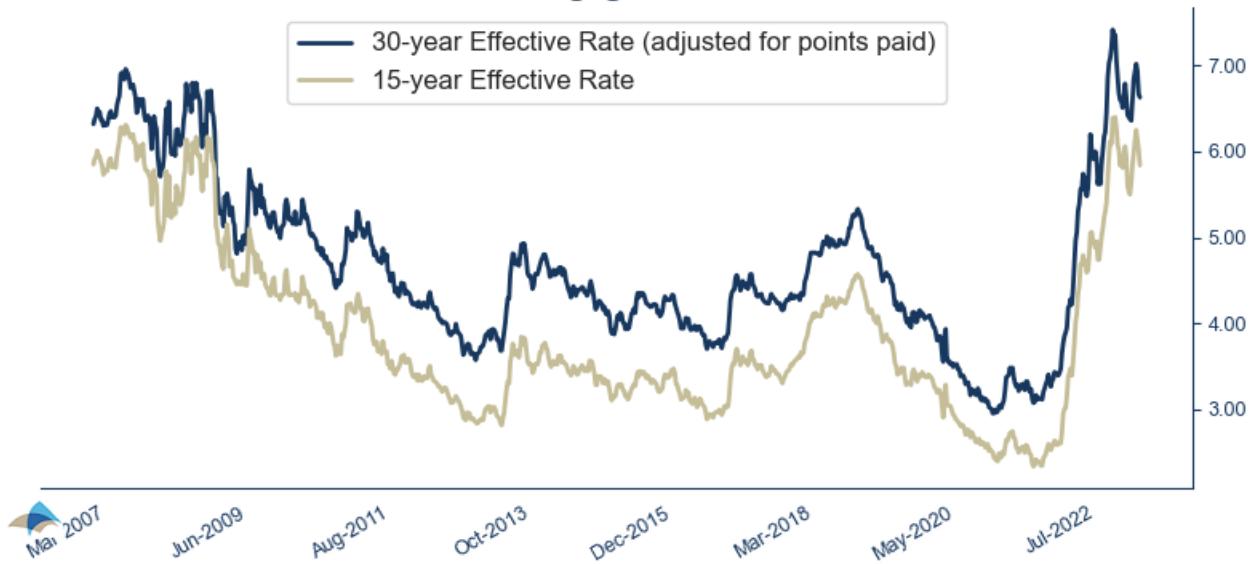
MBS Current Coupon spread to Blend of Treasury Yields



MBS Current Coupon Yield



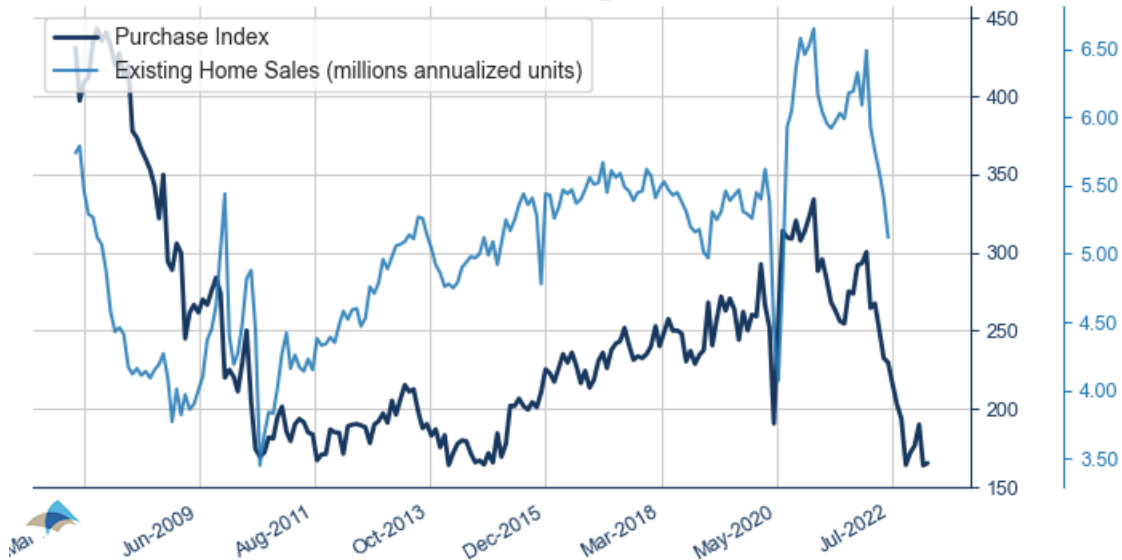
Mortgage Rates



Refi Index vs. Mortgage Rate



Purchase Index vs. Existing Home Sales



Weekly MBA Mortgage Application Survey	24.Mar	17.Mar	10.Mar	03.Mar	MTD Avg	Prior Mo. Avg.	13wk. Avg.	52wk. Avg.
Total Applications Index	227.30	221.00	214.50	201.50	216.07	210.78	215.91	258.87
Week % Chg	2.90	3.00	6.50	7.40				
Total Apps NSA % Chg.	3.03	3.30	7.25	8.79				
Purchase Index	172.70	169.30	165.60	154.40	165.50	163.95	172.20	197.47
Purch. Idx - % Chg.	2.01	2.23	7.25	6.63				
Refinance Index	504.40	481.30	458.90	437.90	470.62	440.12	432.26	572.07
Refi. Idx - % Chg.	4.80	4.88	4.80	9.37				
Ref % Tot	29.10	28.60	28.20	28.90	28.70	29.40	29.48	30.57
MBA 30-yr Fixed	6.63	6.67	6.94	7.02	6.82	6.68	6.66	6.31

Mortgage Effective Rate								
MBA 30-yr Fixed Points	0.62	0.66	0.79	0.80	0.72	0.71	0.71	0.70
MBA 15-yr Fixed Mortgage Contract Rate	5.84	6.02	6.14	6.25	6.06	5.90	5.88	5.43
MBA 15-yr Fixed Mortgage Effective Rate	5.84	6.02	6.14	6.25	6.06	5.90	5.88	5.43
MBA 15-yr Fixed Points	0.57	0.60	0.77	1.01	0.74	0.83	0.72	0.79
MBA 5-yr ARM Effective Rate	5.62	5.58	5.69	5.75	5.66	5.62	5.56	5.08
% of ARMs	7.70	8.60	8.50	8.60	8.35	7.30	7.46	8.83
% of \$ARMs	15.60	17.40	16.70	17.60	16.82	15.18	15.24	17.06

source: Mortgage Banker Association via Bloomberg Professional