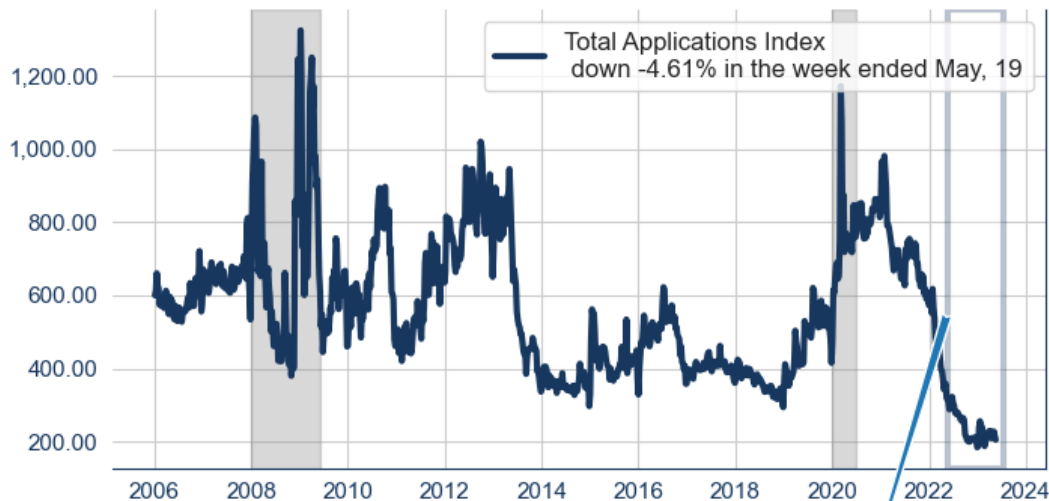


24.May.2023

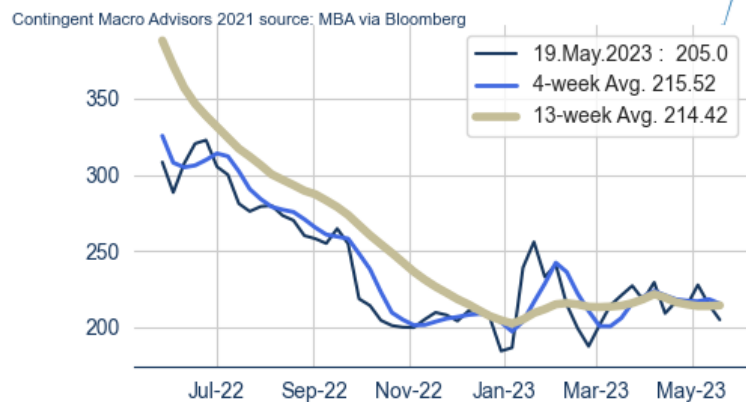
Mortgage Apps: Rates Push Back Towards 7%

Bottom Line: The average 30-year fixed-rate mortgage rose sharply again last week. And the average rate edged slightly higher in the first two days of this week but was holding just below the psychologically important 7% level. Applications fell for both purchased and refis. For now, there are still tenuous signs of bottoming in both purchase and refinancing applications. However, holding below 7% on the average 30-year fixed-rate mortgage will likely prove critical, and bears close watching in the coming weeks. Rates were only above 7% for a brief time in October and early November, but it decimated mortgage activity for several months.

Total Applications Index



Recent Trends



The MBA Mortgage Application Index FELL -4.6% to 205.0, BELOW the 13-week average of 214.0 and -35.0% BELOW the year-ago level. Non-seasonally adjusted the index FELL -5.1%.

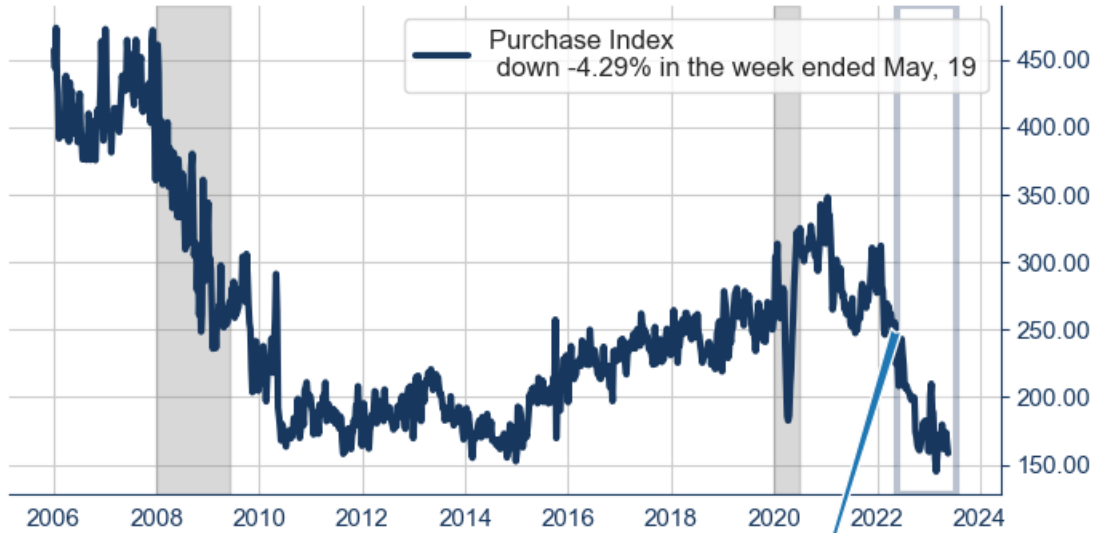
The Purchase Index FELL -4.3% to 158.0, BELOW the 13-week average of 165.0 and -29.8% BELOW the year-ago level.

The Refinancing Index FELL -5.4% to 443.0, BELOW the 13-week average of 463.0 and -44.3% BELOW the year-ago level.

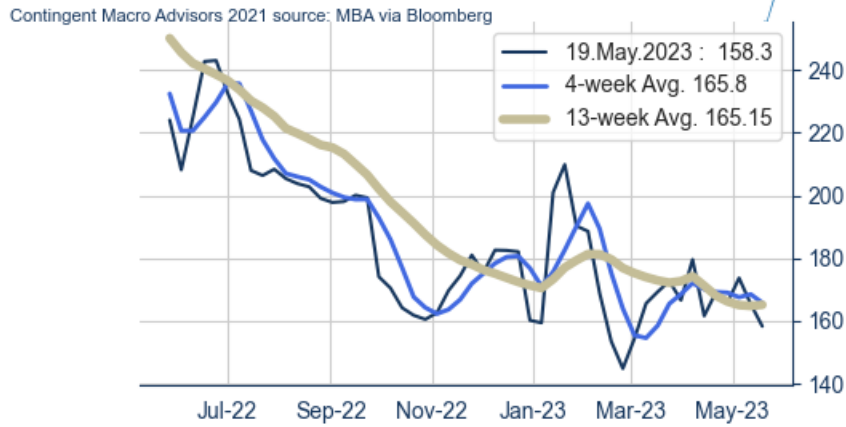
The effective (adjusted for points paid) 30-year mortgage rate ROSE 14bps to 6.88%, ABOVE the 13-week average of 6.73% and 22bps ABOVE the year-ago level.

Current coupon yields in the secondary market were up 27.0 bps last week , closing at 5.47%, and were up 3.0 bps this week through Tuesday.

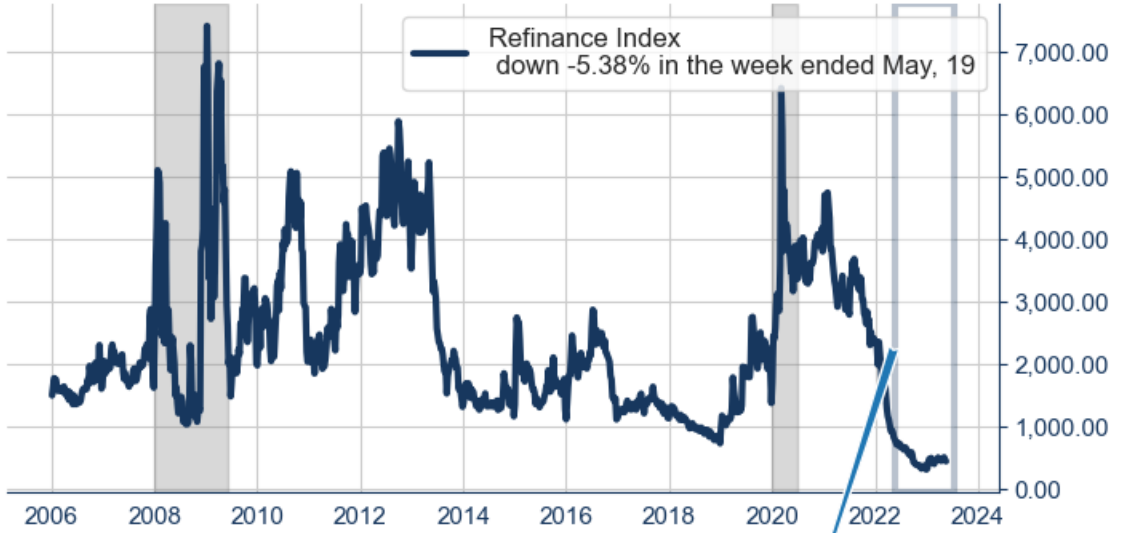
Purchase Index



Recent Trends



Refinance Index



Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg

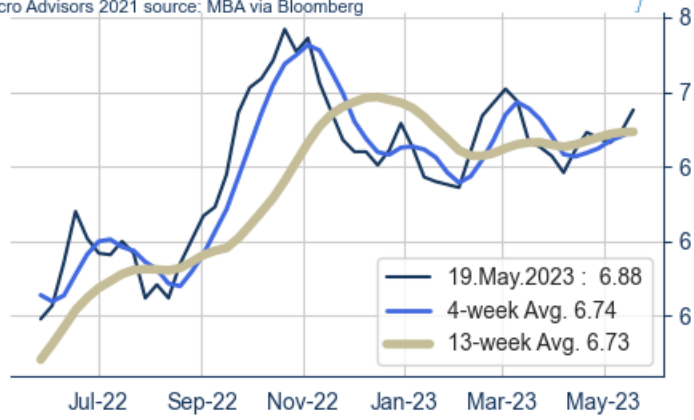


MBA 30-yr Fixed Mortgage Effective Rate

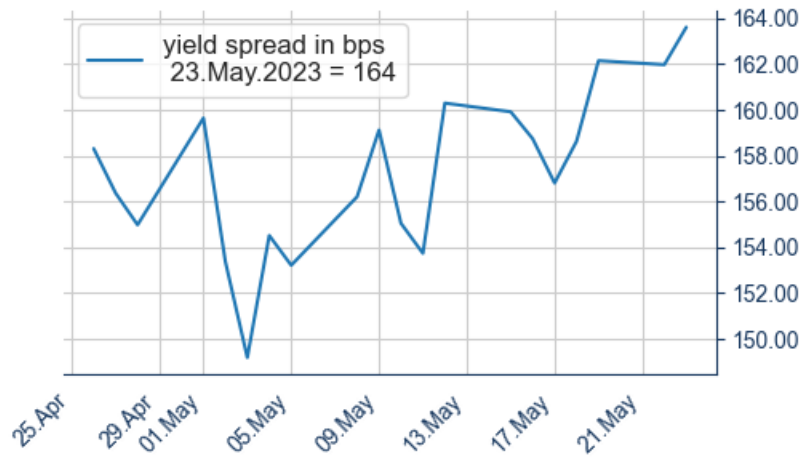


Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg



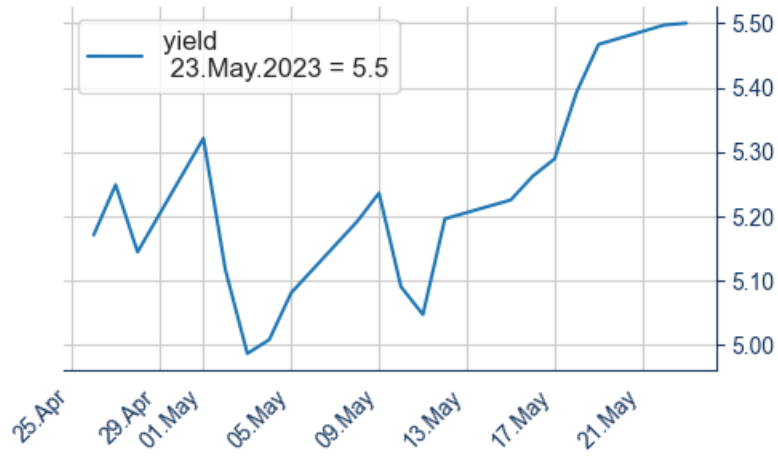
MBS Current Coupon spread to Blend of Treasury Yields



MBS Current Coupon Yield



last 20 trading days



Mortgage Rates



Purchase Index vs. Existing Home Sales



Refi Index vs. Mortgage Rate



| Weekly MBA Mortgage Application Survey | 19.May | 12.May | 05.May | 28.Apr | MTD Avg | Prior Mo. Avg. | 13wk. Avg. | 52wk. Avg. |
|---|---------------|---------------|---------------|---------------|---------------|----------------|---------------|---------------|
| Total Applications Index | 205.00 | 214.90 | 227.80 | 214.40 | 215.90 | 217.50 | 214.42 | 237.35 |
| Week % Chg | -4.60 | -5.70 | 6.30 | -1.20 | | | | |
| Total Apps NSA % Chg. | -5.14 | -5.62 | 6.61 | -0.45 | | | | |
| Purchase Index | 158.30 | 165.40 | 173.70 | 165.80 | 165.80 | 169.02 | 165.15 | 185.57 |
| Purch. Idx - % Chg. | -4.29 | -4.78 | 4.76 | -1.95 | | | | |
| Refinance Index | 443.00 | 468.20 | 507.10 | 461.20 | 472.77 | 461.53 | 463.42 | 496.01 |
| Refi. Idx - % Chg. | -5.38 | -7.67 | 9.95 | 0.79 | | | | |
| Ref % Tot | 27.40 | 27.40 | 28.00 | 27.20 | 27.60 | 27.15 | 27.96 | 29.45 |
| MBA 30-yr Fixed Mortgage Effective Rate | 6.88 | 6.74 | 6.66 | 6.69 | 6.76 | 6.62 | 6.73 | 6.49 |
| MBA 30-yr Fixed Points | 0.66 | 0.61 | 0.61 | 0.63 | 0.63 | 0.61 | 0.66 | 0.70 |
| MBA 15-yr Fixed Mortgage Contract Rate | 6.15 | 5.96 | 5.91 | 6.01 | 6.01 | 5.93 | 6.01 | 5.64 |
| MBA 15-yr Fixed Mortgage Effective Rate | 6.15 | 5.96 | 5.91 | 6.01 | 6.01 | 5.93 | 6.01 | 5.64 |
| MBA 15-yr Fixed Points | 0.72 | 0.68 | 0.58 | 0.55 | 0.66 | 0.58 | 0.67 | 0.77 |
| MBA 5-yr ARM Effective Rate | 5.73 | 5.71 | 5.35 | 5.48 | 5.60 | 5.50 | 5.60 | 5.28 |
| % of ARMs | 6.70 | 6.50 | 6.80 | 7.30 | 6.67 | 6.58 | 7.31 | 8.48 |
| % of \$ARMs | 14.50 | 13.90 | 14.30 | 14.60 | 14.23 | 13.03 | 14.80 | 16.55 |

source: Mortgage Banker Association via Bloomberg Professional