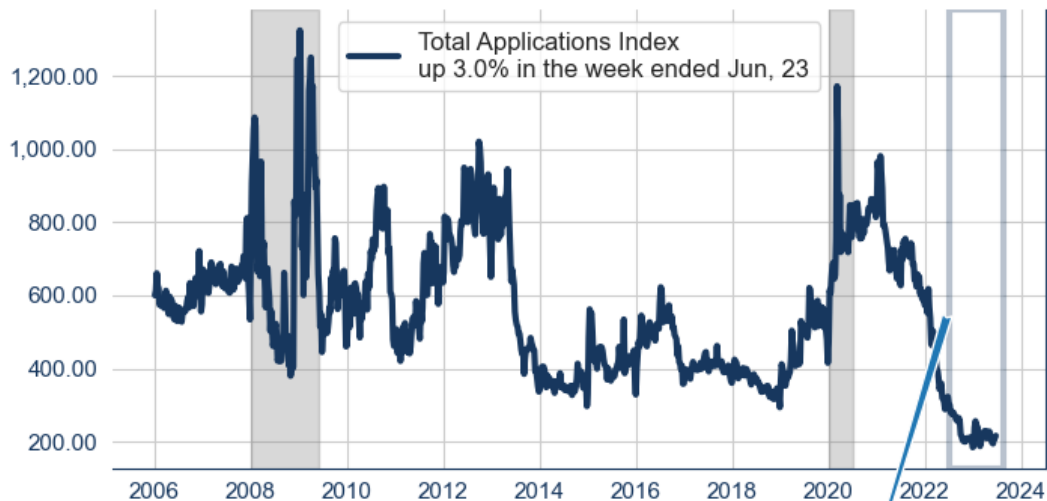


28.Jun.2023

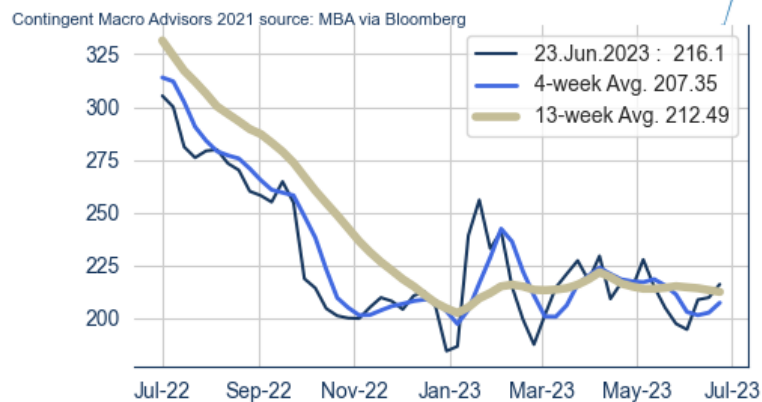
## **Mortgage Apps: Higher As Rates Hold Below 7%**

**Bottom Line:** Mortgage activity rose modestly again last week as mortgage rates held below 7% on the average 30-year fixed-rate and housing activity continued to show signs of bottoming. Applications for purchases and refinancings rose. Secondary mortgage spreads to Treasuries widened slightly but remained much less volatile than earlier in the year. The current coupon continued to hover around 5.5%, leaving room for primary mortgage rates to edge lower still if volatility remains muted. Overall, the mortgage market remains highly sensitive to rates, and as long as the primary mortgage rate holds below 7%, activity should continue to bottom.

## Total Applications Index



### Recent Trends



**The MBA Mortgage Application Index** ROSE 3.0% to 216.0, ABOVE the 13-week average of 212.0 but -33.0% BELOW the year-ago level. Non-seasonally adjusted the index FELL -8.0%.

**The Purchase Index** ROSE 2.8% to 170.0, ABOVE the 13-week average of 165.0 but -29.9% BELOW the year-ago level.

**The Refinancing Index** ROSE 3.3% to 439.0, BELOW the 13-week average of 451.0 and -39.5% BELOW the year-ago level.

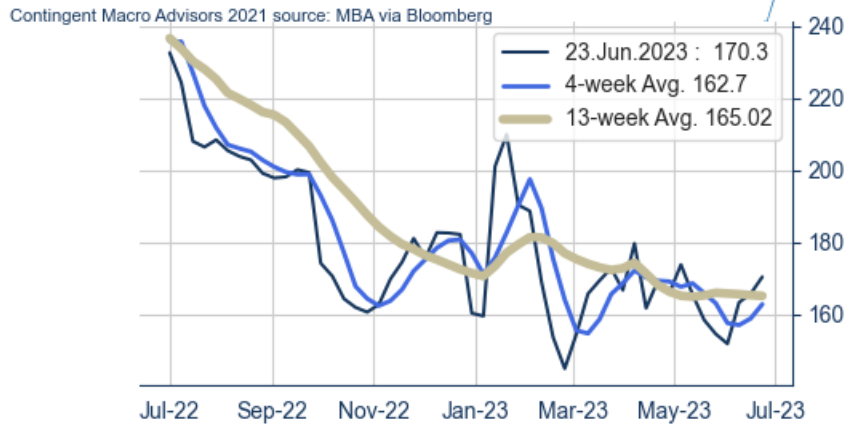
**The effective (adjusted for points paid) 30-year mortgage rate** ROSE slightly, UP 2bps to 6.94%, ABOVE the 13-week average of 6.79% and 15bps ABOVE the year-ago level.

**Current coupon yields in the secondary market** were up 5.0 bps last week , closing at 5.47%, and were up 4.0 bps this week through Tuesday.

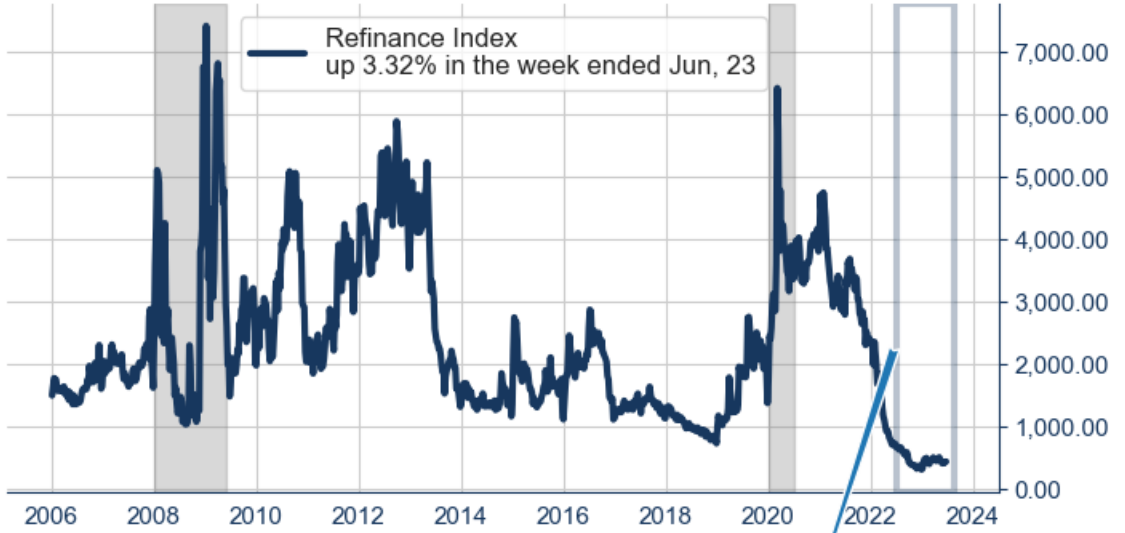
### Purchase Index



### Recent Trends



# Refinance Index



## Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg

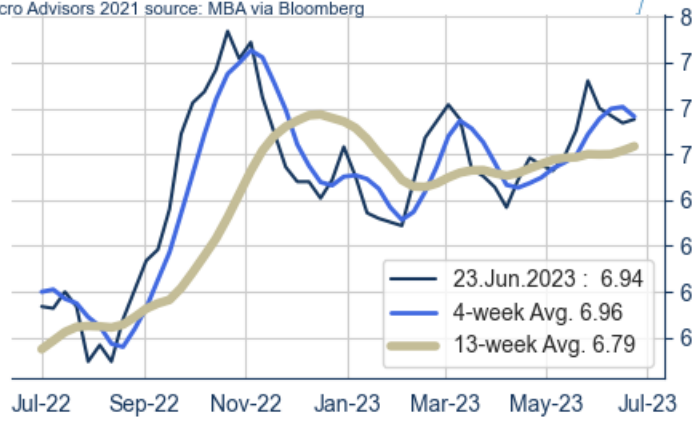


# MBA 30-yr Fixed Mortgage Effective Rate

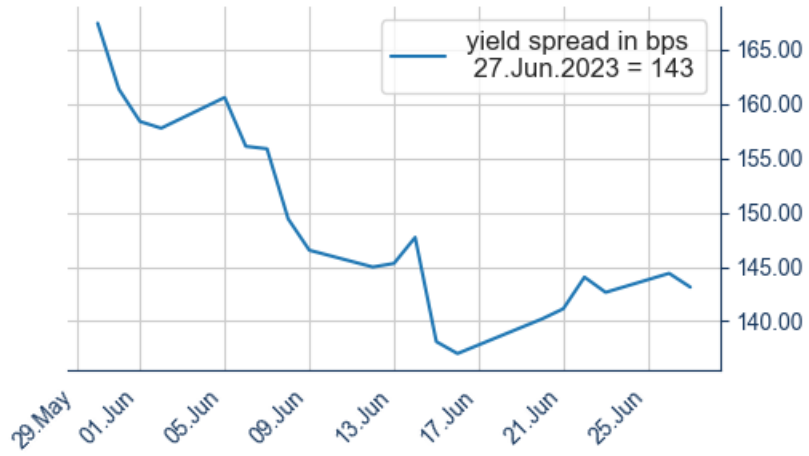


## Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg



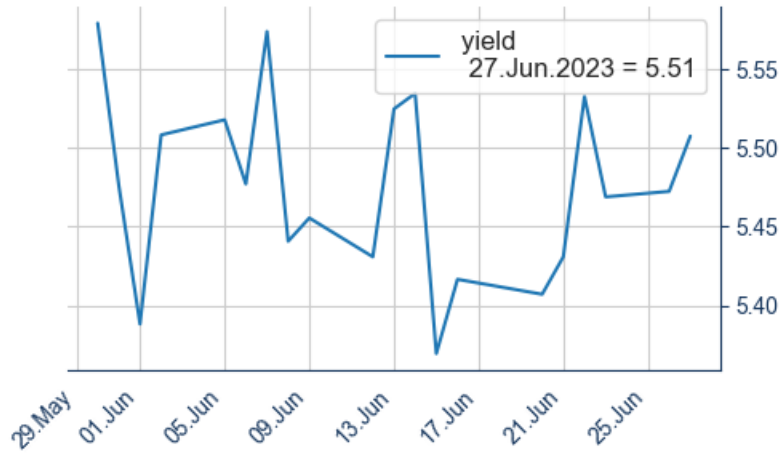
### MBS Current Coupon spread to Blend of Treasury Yields



### MBS Current Coupon Yield



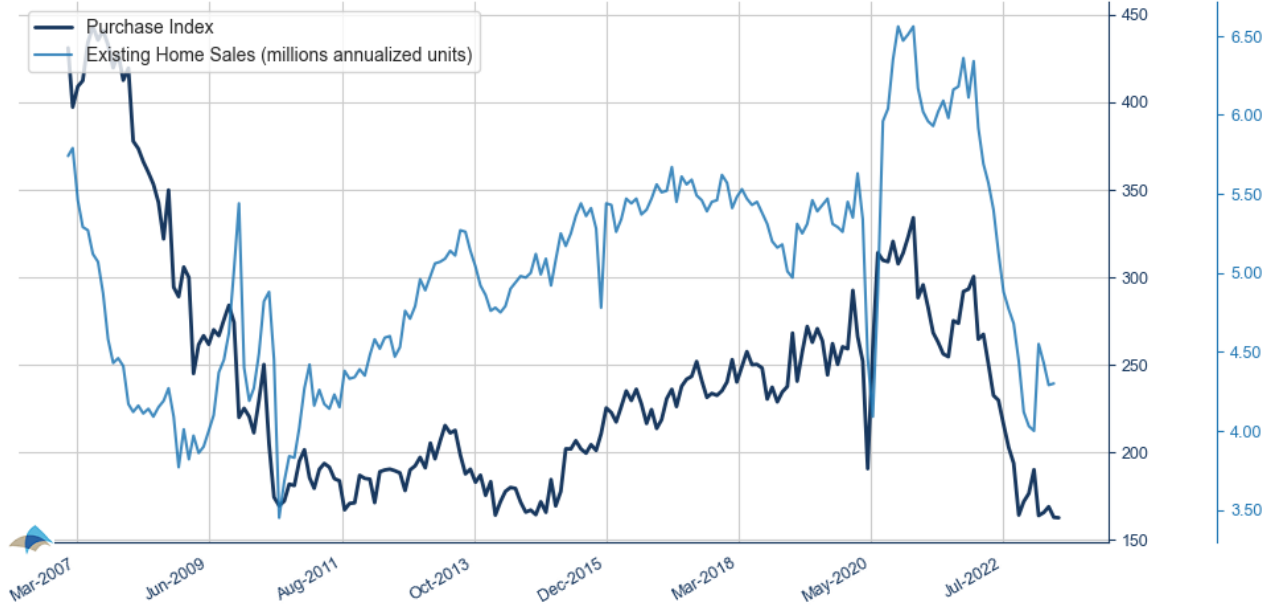
last 20 trading days



# Mortgage Rates



# Purchase Index vs. Existing Home Sales





## Refi Index vs. Mortgage Rate



Weekly MBA Mortgage Application Survey	23.Jun	16.Jun	09.Jun	02.Jun	MTD Avg	Prior Mo. Avg.	13wk. Avg.	52wk. Avg.
<b>Total Applications Index</b>	<b>216.10</b>	<b>209.80</b>	<b>208.80</b>	<b>194.70</b>	<b>207.35</b>	<b>211.28</b>	<b>212.49</b>	<b>227.34</b>
<b>Week % Chg</b>	<b>3.00</b>	<b>0.50</b>	<b>7.20</b>	<b>-1.40</b>				
<b>Total Apps NSA % Chg.</b>	<b>-8.03</b>	<b>-0.57</b>	<b>17.47</b>	<b>-12.45</b>				
Purchase Index	170.30	165.60	163.20	151.70	162.70	162.95	165.02	179.07
Purch. Idx - % Chg.	2.84	1.47	7.58	-1.75				
Refinance Index	439.20	425.10	434.10	409.70	427.03	457.70	450.94	466.88
Refi. Idx - % Chg.	3.32	-2.07	5.96	-0.68				
Ref % Tot	27.20	26.90	27.30	27.30	27.18	27.38	27.34	29.07
MBA 30-yr Fixed Mortgage Effective Rate	6.94	6.92	6.96	7.00	6.96	6.86	6.79	6.61
MBA 30-yr Fixed Points	0.64	0.64	0.65	0.66	0.65	0.68	0.64	0.70
MBA 15-yr Fixed Mortgage Contract Rate	6.23	6.26	6.25	6.25	6.25	6.11	6.08	5.78
MBA 15-yr Fixed Mortgage Effective Rate	6.23	6.26	6.25	6.25	6.25	6.11	6.08	5.78
MBA 15-yr Fixed Points	0.69	0.71	1.05	0.62	0.77	0.70	0.67	0.77
MBA 5-yr ARM Effective Rate	6.28	6.09	5.90	5.93	6.05	5.54	5.69	5.41
% of ARMs	6.10	6.30	6.50	6.80	6.43	6.70	6.62	8.22
% of \$ARMs	12.20	12.70	12.80	13.20	12.73	14.25	13.37	16.19

source: Mortgage Banker Association via Bloomberg Professional