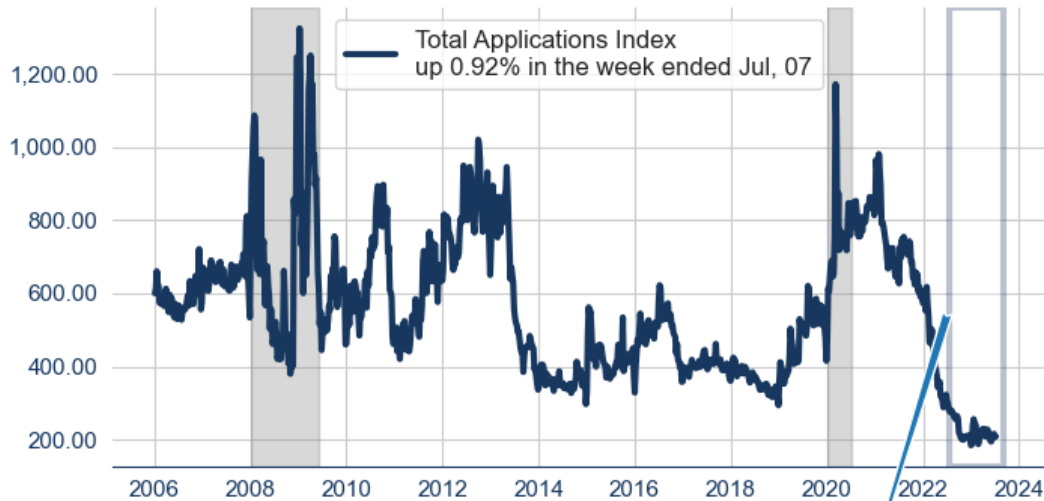


12.Jul.2023

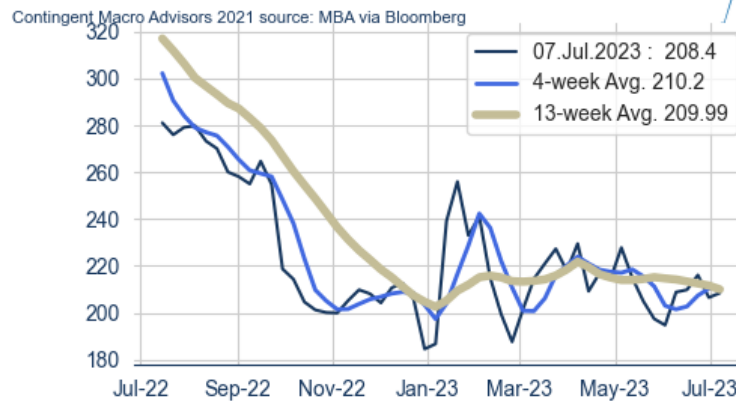
Mortgage Apps: Resilience Amid Holiday

Bottom Line: Mortgage activity fell last week by about 20%, almost exactly the reduction in the workweek for the 4th of July holiday. That left the headline number nearly flat, a rather impressive reading given the violent move higher in mortgage rates in the prior week. The average 30-year fixed-rate hit 7.28%. It should move lower this week with the bullish bond market reaction to the CPI report, but this will bear close watching going forward. So far, all signs point to continued resilience in mortgage and housing activity.

Total Applications Index



Recent Trends



The MBA Mortgage Application Index ROSE slightly, UP 0.9% to 208.0, BELOW the 13-week average of 210.0 and -30.5% BELOW the year-ago level. Non-seasonally adjusted the index FELL sharply , DOWN -19.2%.

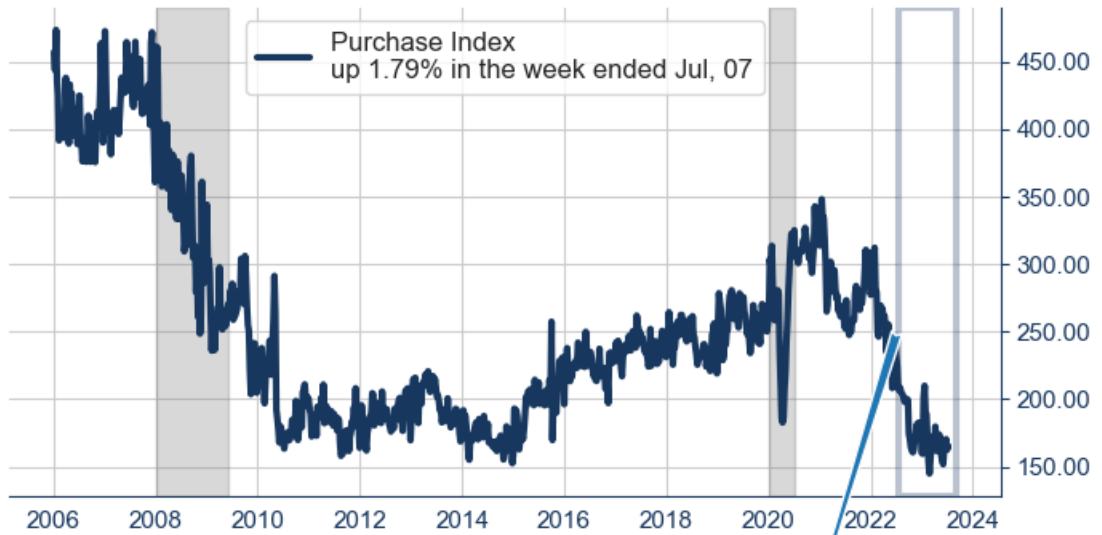
The Purchase Index ROSE slightly , UP 1.8% to 165.0, ABOVE the 13-week average of 164.0 but -26.3% BELOW the year-ago level.

The Refinancing Index FELL slightly , DOWN -1.3% to 416.0, BELOW the 13-week average of 442.0 and -39.3% BELOW the year-ago level.

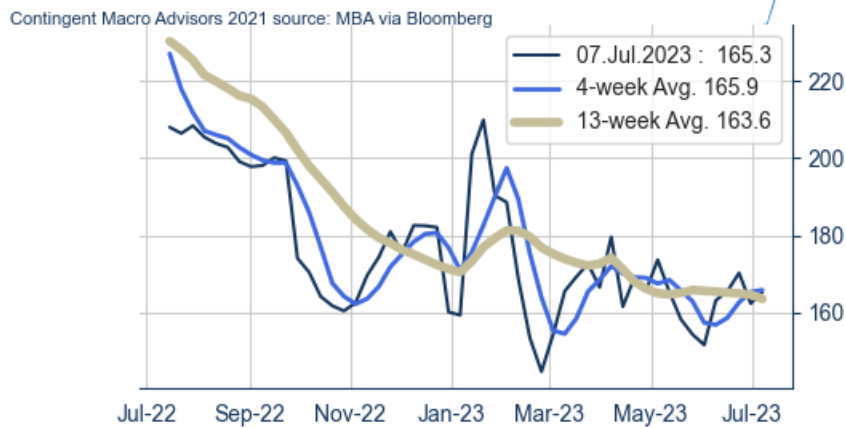
The effective (adjusted for points paid) 30-year mortgage rate ROSE sharply , UP 24bps to 7.28%, ABOVE the 13-week average of 6.89% and 23bps ABOVE the year-ago level.

Current coupon yields in the secondary market were up 32.0 bps last week , closing at 5.94%, and were down -11.0 bps this week through Tuesday.

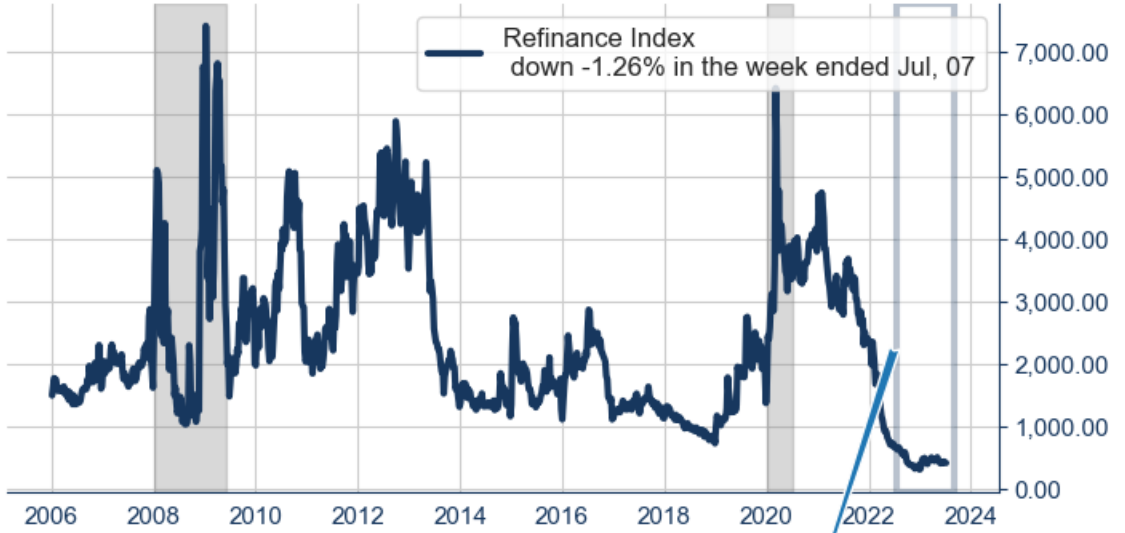
Purchase Index



Recent Trends

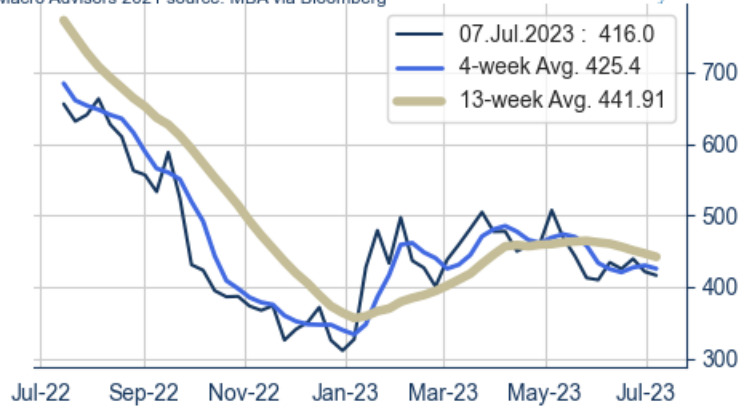


Refinance Index



Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg

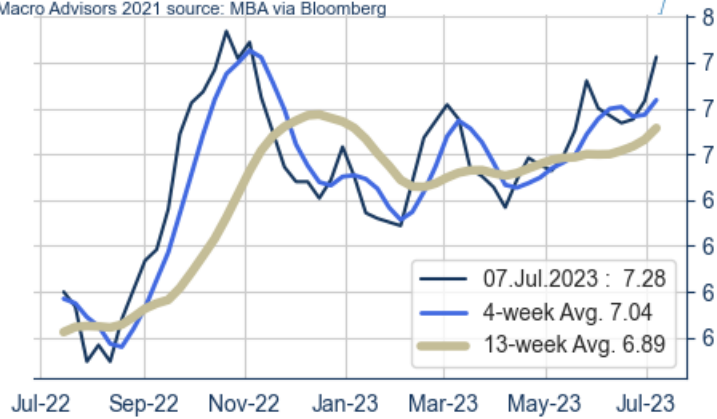


MBA 30-yr Fixed Mortgage Effective Rate

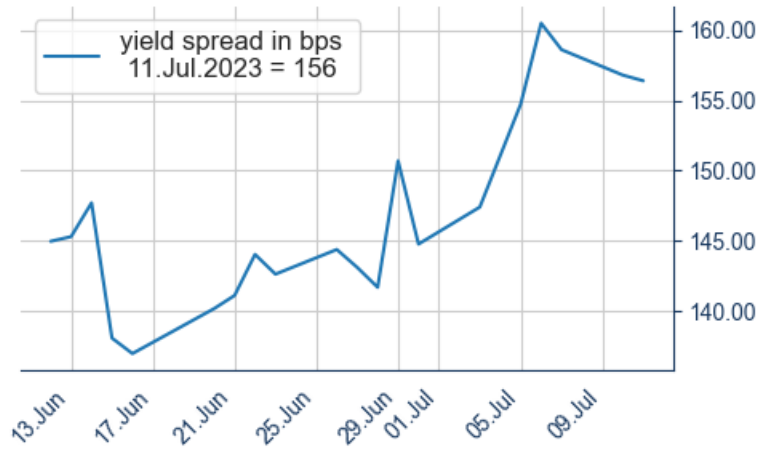


Recent Trends

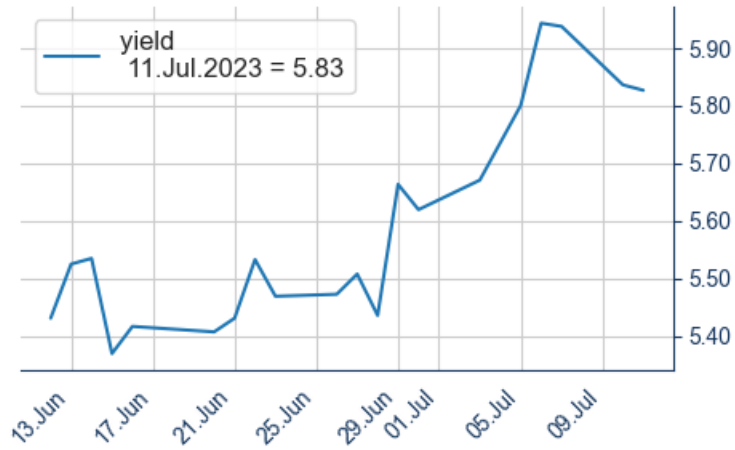
Contingent Macro Advisors 2021 source: MBA via Bloomberg



MBS Current Coupon spread to Blend of Treasury Yields



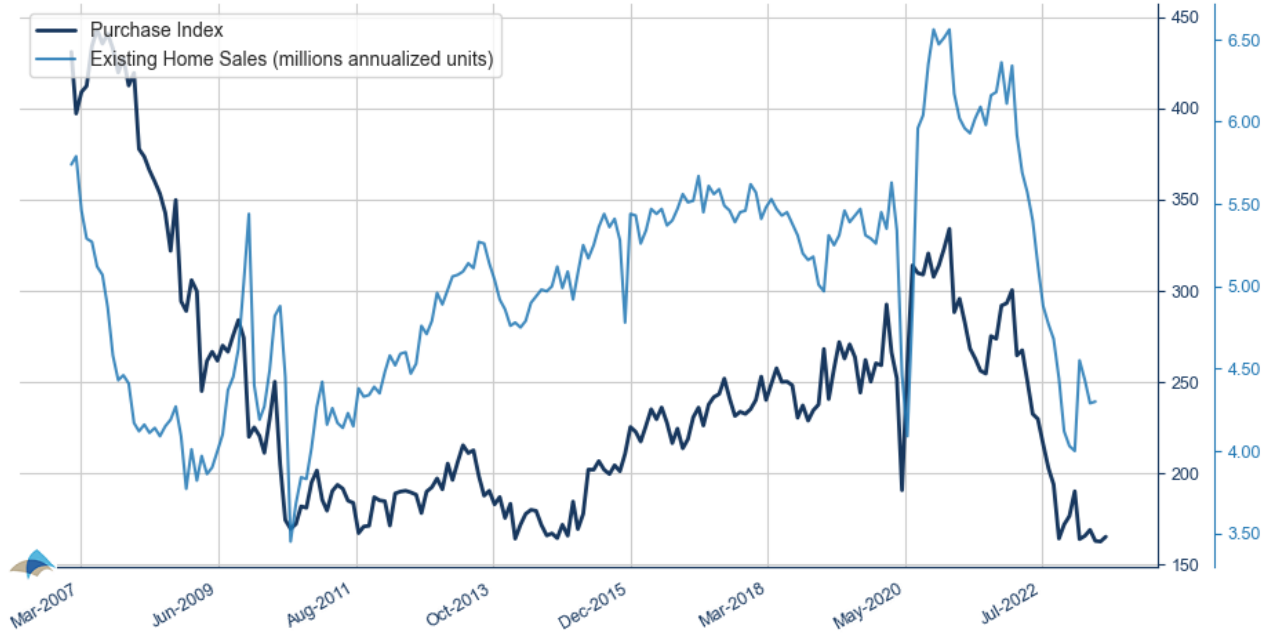
MBS Current Coupon Yield



Mortgage Rates



Purchase Index vs. Existing Home Sales



Refi Index vs. Mortgage Rate



Weekly MBA Mortgage Application Survey	07.Jul	30.Jun	23.Jun	16.Jun	MTD Avg	Prior Mo. Avg.	13wk. Avg.	52wk. Avg.
Total Applications Index	208.40	206.50	216.10	209.80	208.40	207.18	209.99	223.68
Week % Chg	0.90	-4.40	3.00	0.50				
Total Apps NSA % Chg.	-19.17	5.80	-8.03	-0.57				
Purchase Index	165.30	162.40	170.30	165.60	165.30	162.64	163.60	176.58
Purch. Idx - % Chg.	1.79	-4.64	2.84	1.47				
Refinance Index	416.00	421.30	439.20	425.10	416.00	425.88	441.91	456.91
Refi. Idx - % Chg.	-1.26	-4.08	3.32	-2.07				
Ref % Tot	26.80	27.40	27.20	26.90	26.80	27.22	27.23	28.95
MBA 30-yr Fixed Mortgage Effective Rate	7.28	7.04	6.94	6.92	7.28	6.97	6.89	6.65
MBA 30-yr Fixed Points	0.74	0.65	0.64	0.64	0.74	0.65	0.66	0.71
MBA 15-yr Fixed Mortgage Contract Rate	6.42	6.30	6.23	6.26	6.42	6.26	6.16	5.84
MBA 15-yr Fixed Mortgage Effective Rate	6.42	6.30	6.23	6.26	6.42	6.26	6.16	5.84
MBA 15-yr Fixed Points	1.22	0.91	0.69	0.71	1.22	0.80	0.75	0.79
MBA 5-yr ARM Effective Rate	6.24	6.00	6.28	6.09	6.24	6.04	5.78	5.46
% of ARMs	6.60	6.20	6.10	6.30	6.60	6.38	6.58	8.10
% of \$ARMs	13.10	12.20	12.20	12.70	13.10	12.62	13.31	16.00

source: Mortgage Banker Association via Bloomberg Professional