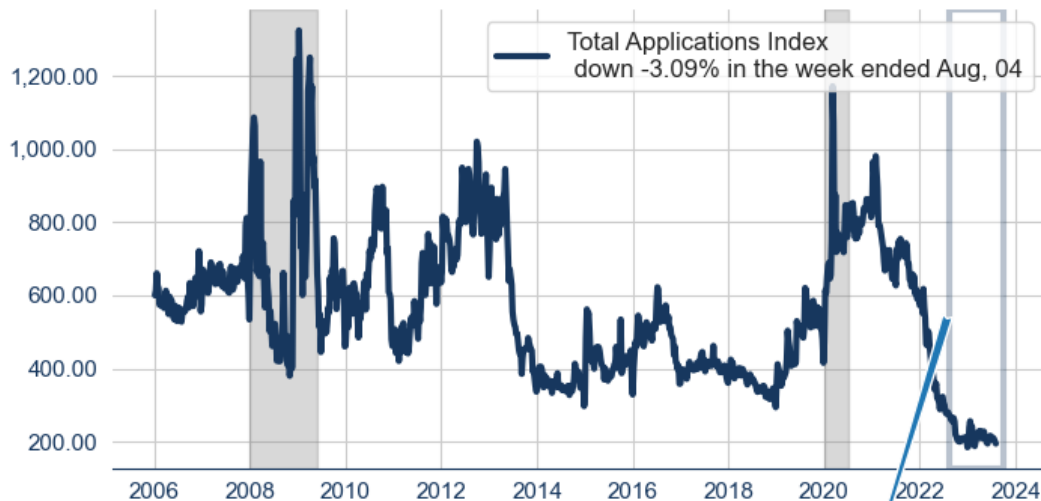


09.Aug.2023

Mortgage Apps: Purchase Volumes Near Record Lows

Bottom Line: Mortgage activity fell again last week as mortgage rates pushed higher. 30-year fixed-rate mortgages averaged over 7 1/4% (adjusted for points paid) for only the second time since the highs seen in 4Q22. The purchase index neared its lowest levels again as the refi index edged lower but remained well off the lows seen at the end of last year. **Overall, application volumes suggest that mortgage rates might be starting to jeopardize the recovery in housing activity. And secondary mortgage market yields suggest rates to borrowers were higher still in the first few days of this week.**

Total Applications Index



Recent Trends



The MBA Mortgage Application Index FELL -3.1% to 194.0, BELOW the 13-week average of 206.0 and -30.5% BELOW the year-ago level. Non-seasonally adjusted the index FELL slightly, DOWN -3.5%.

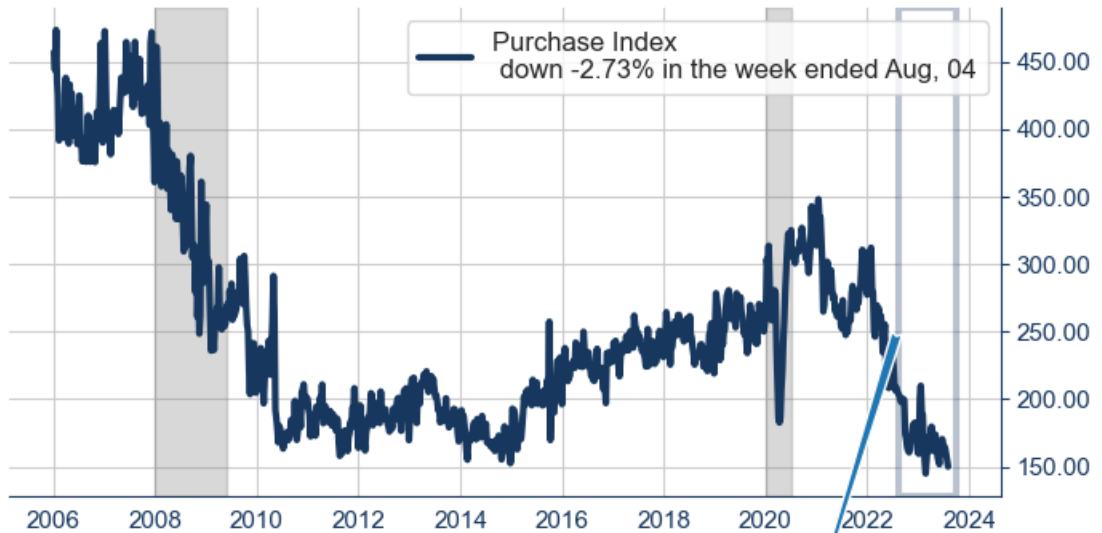
The Purchase Index FELL -2.7% to 150.0, BELOW the 13-week average of 160.0, and -27.0% BELOW the year-ago level.

The Refinancing Index FELL -4.0% to 416.0, BELOW the 13-week average of 432.0 and -37.2% BELOW the year-ago level.

The effective (adjusted for points paid) 30-year mortgage rate ROSE 16bps to 7.29%, ABOVE the 13-week average of 7.04% and 28bps ABOVE the year-ago level.

Current coupon yields in the secondary market were up 9.0 bps last week, closing at 5.77%, and were little changed this week through Tuesday.

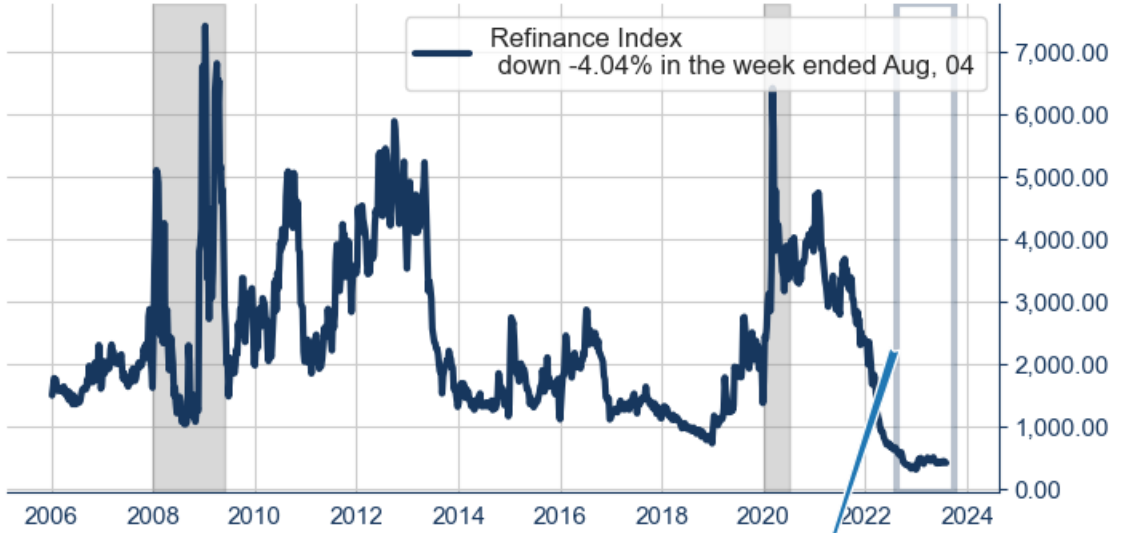
Purchase Index



Recent Trends

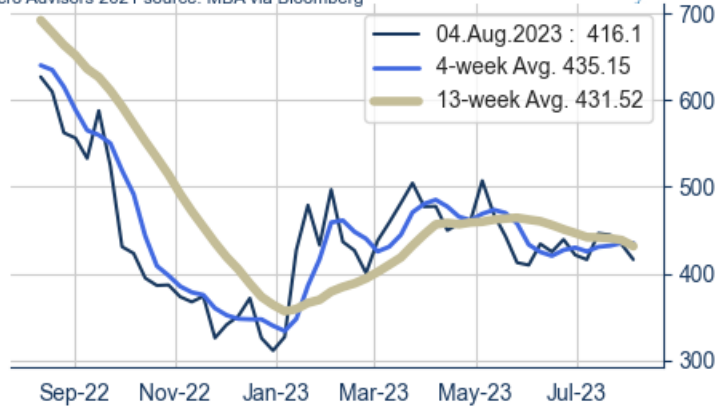


Refinance Index

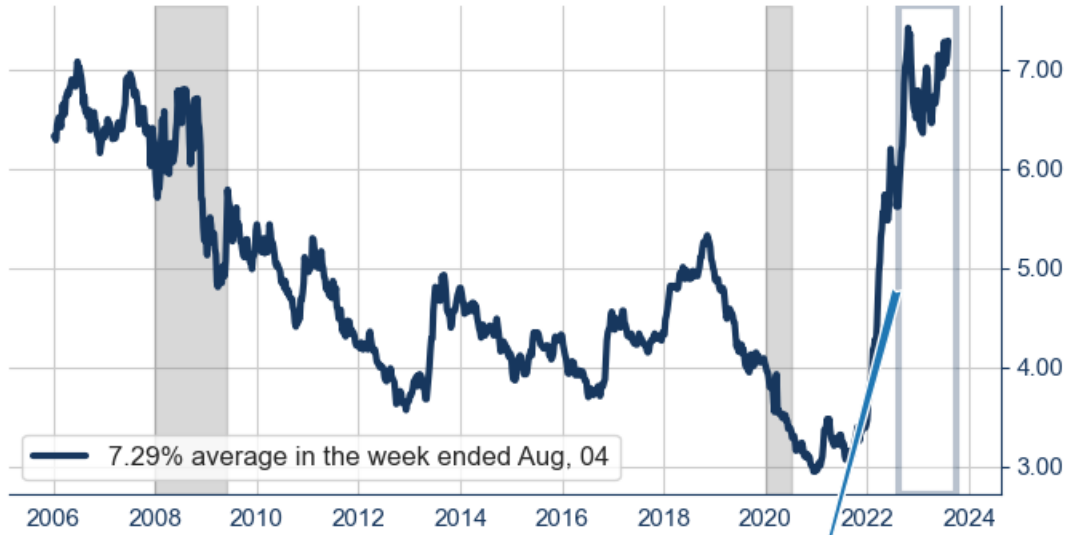


Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg

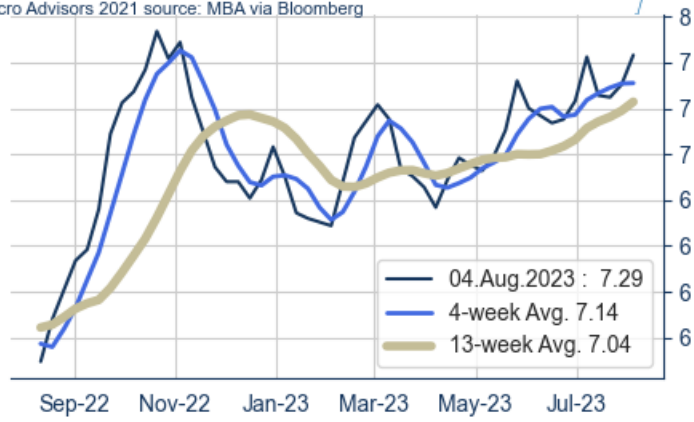


MBA 30-yr Fixed Mortgage Effective Rate

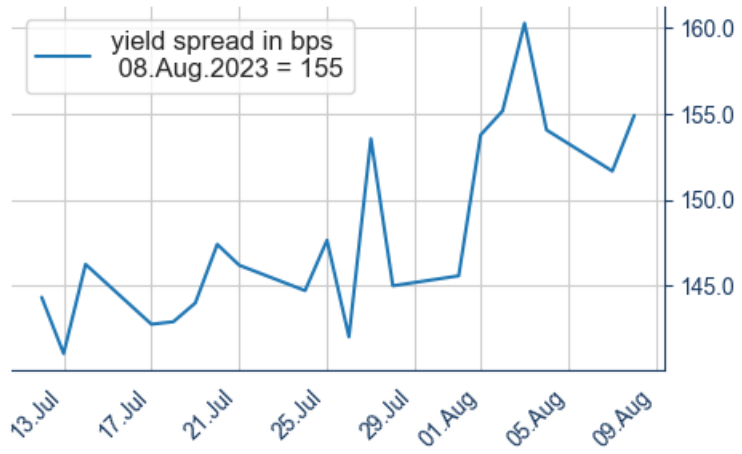


Recent Trends

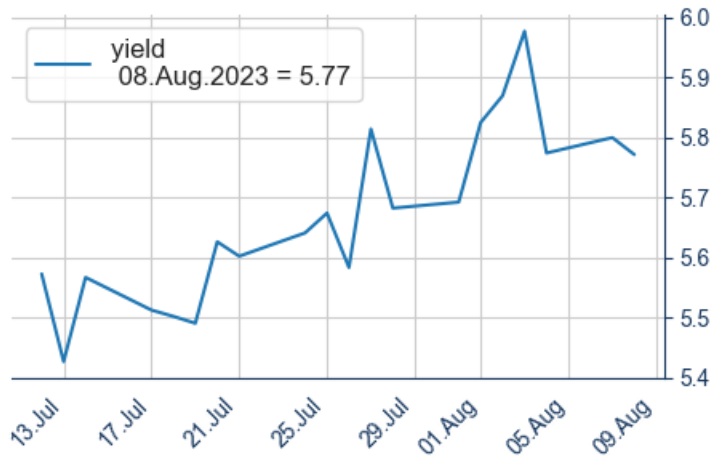
Contingent Macro Advisors 2021 source: MBA via Bloomberg



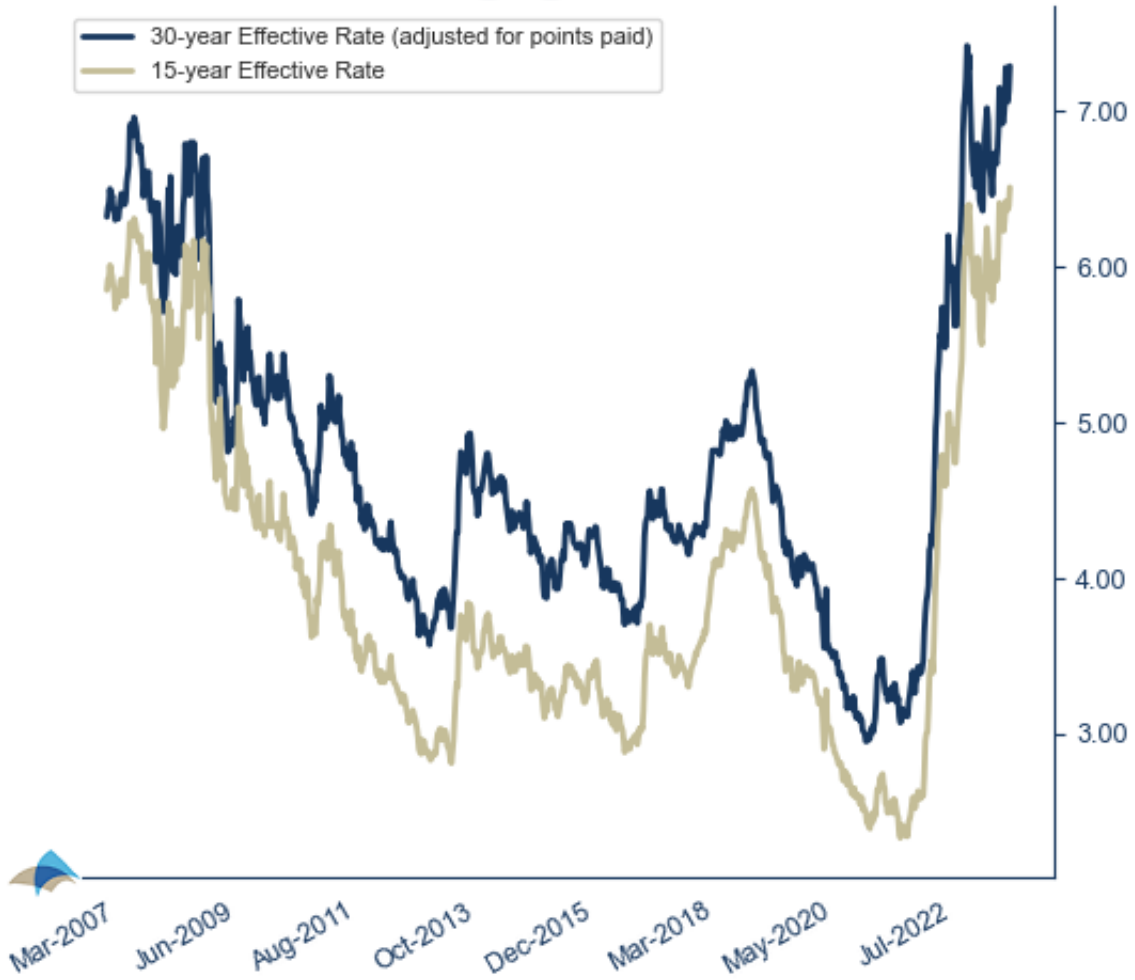
MBS Current Coupon spread to Blend of Treasury Yields



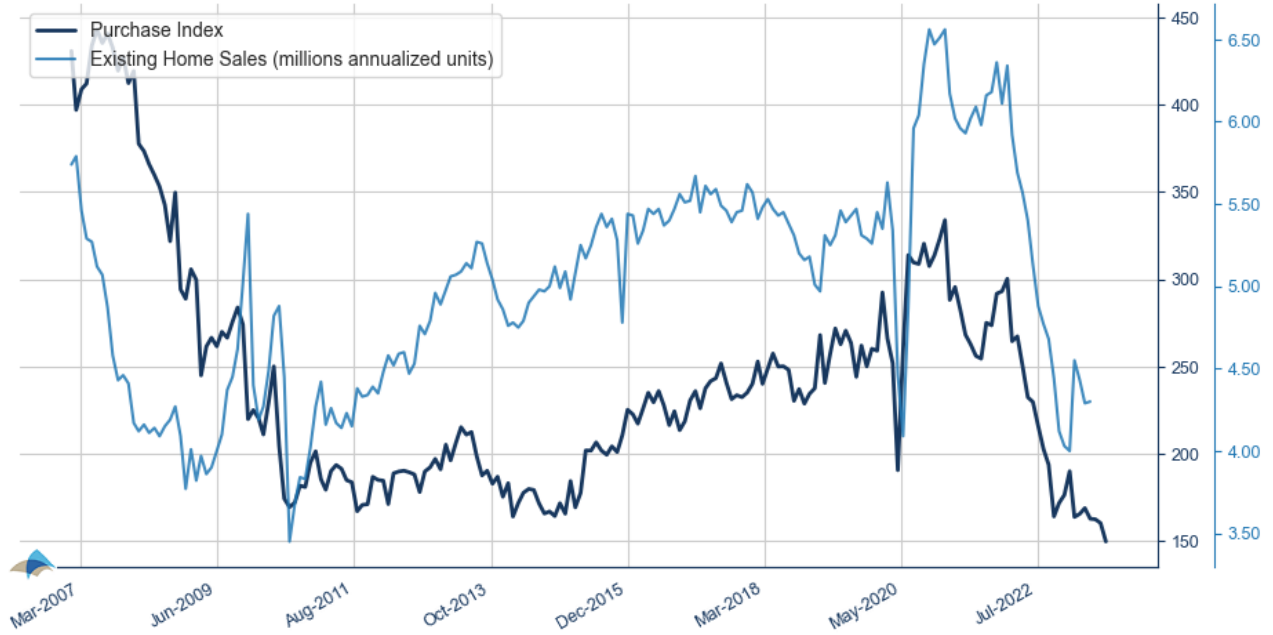
MBS Current Coupon Yield



Mortgage Rates



Purchase Index vs. Existing Home Sales



Refi Index vs. Mortgage Rate



Weekly MBA Mortgage Application Survey	04.Aug	28.Jul	21.Jul	14.Jul	MTD Avg	Prior Mo. Avg.	13wk. Avg.	52wk. Avg.
Total Applications Index	194.50	200.70	206.90	210.70	194.50	206.68	205.72	217.84
Week % Chg	-3.10	-3.00	-1.80	1.10				
Total Apps NSA % Chg.	-3.48	-2.92	-1.51	26.58				
Purchase Index	149.90	154.10	159.20	163.20	149.90	160.45	160.23	172.70
Purch. Idx - % Chg.	-2.73	-3.20	-2.45	-1.27				
Refinance Index	416.10	433.60	444.50	446.40	416.10	435.12	431.52	440.56
Refi. Idx - % Chg.	-4.04	-2.45	-0.43	7.31				
Ref % Tot	28.70	28.90	28.70	28.40	28.70	28.20	27.62	28.75
MBA 30-yr Fixed Mortgage Effective Rate	7.29	7.13	7.06	7.07	7.29	7.13	7.04	6.76
MBA 30-yr Fixed Points	0.70	0.68	0.65	0.66	0.70	0.68	0.67	0.70
MBA 15-yr Fixed Mortgage Contract Rate	6.51	6.39	6.37	6.36	6.51	6.39	6.30	5.96
MBA 15-yr Fixed Mortgage Effective Rate	6.51	6.39	6.37	6.36	6.51	6.39	6.30	5.96
MBA 15-yr Fixed Points	0.92	0.78	0.75	0.72	0.92	0.87	0.82	0.80
MBA 5-yr ARM Effective Rate	6.36	6.18	6.01	6.27	6.36	6.17	6.01	5.59
% of ARMs	6.90	6.50	5.90	6.30	6.90	6.32	6.47	7.93
% of \$ARMs	15.50	14.30	13.30	13.60	15.50	13.57	13.51	15.84

source: Mortgage Banker Association via Bloomberg Professional