

13.Sep.2023

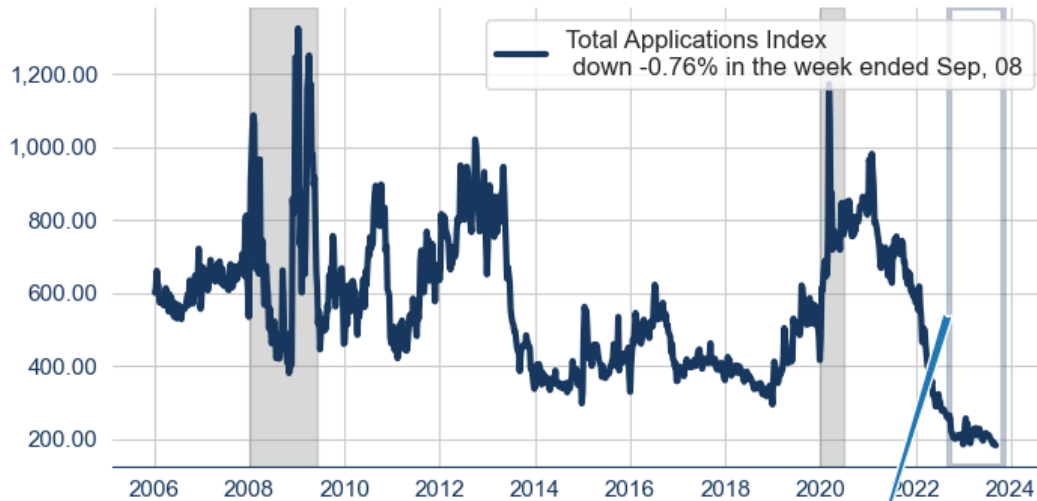
## **Mortgage Apps: Further Drop As Refis Slip**

**Bottom Line:** Mortgage applications hit another new low last week, as the average 30-year fixed-rate mortgage hovered around 7.50% adjusted for points paid.

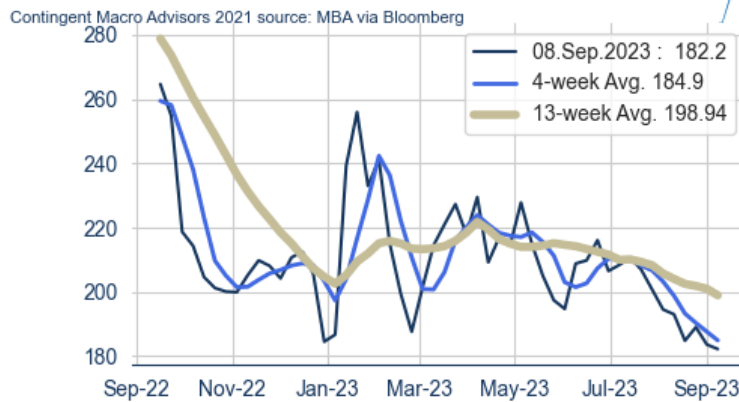
Purchase volumes were a touch higher but still near historic lows. Refis, meanwhile, had been holding well of the lows seen at the end of last year. But they slid sharply last week and were trending quickly lower.

**Overall, application volumes continue to suggest that mortgage rates are jeopardizing the recovery in housing activity.**

## Total Applications Index



### Recent Trends



**The MBA Mortgage Application Index** FELL slightly, DOWN -0.8% to 182.0, BELOW the 13-week average of 199.0 and -28.5% BELOW the year-ago level. Non-seasonally adjusted the index FELL -12.0%.

**The Purchase Index** ROSE slightly, UP 1.3% to 144.0, BELOW the 13-week average of 155.0 and -27.5% BELOW the year-ago level.

**The Refinancing Index** FELL -5.4% to 367.0, BELOW the 13-week average of 416.0 and -31.1% BELOW the year-ago level.

The effective (adjusted for points paid) **30-year mortgage rate** ROSE 7bps to 7.48%, ABOVE the 13-week average of 7.23% and 20bps ABOVE the year-ago level.

**Current coupon yields in the secondary market** were up 11.0 bps last week, closing at 6.0%, and were up 4.0 bps this week through Tuesday.

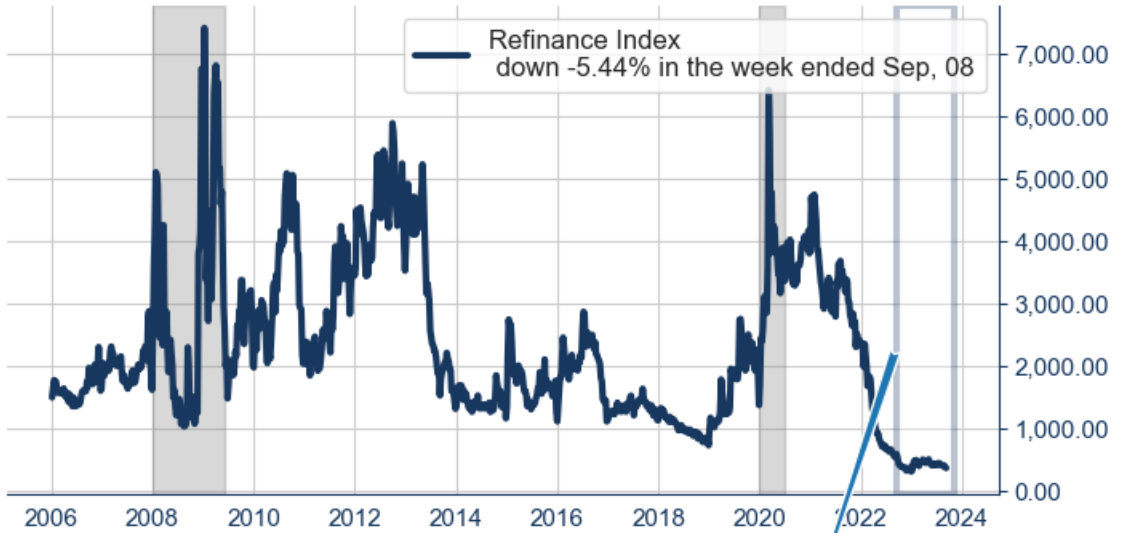
### Purchase Index



### Recent Trends



# Refinance Index

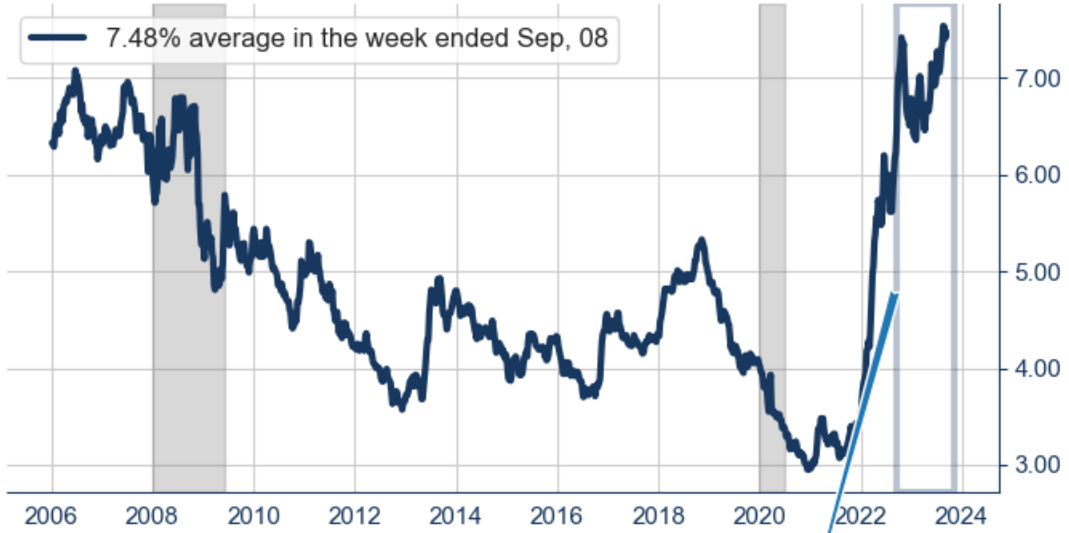


## Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg

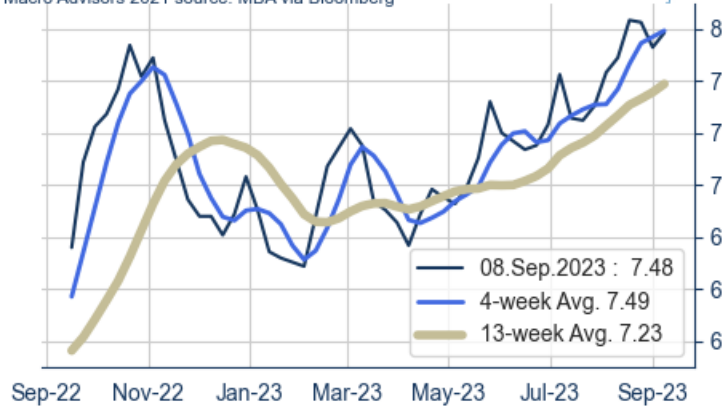


# MBA 30-yr Fixed Mortgage Effective Rate

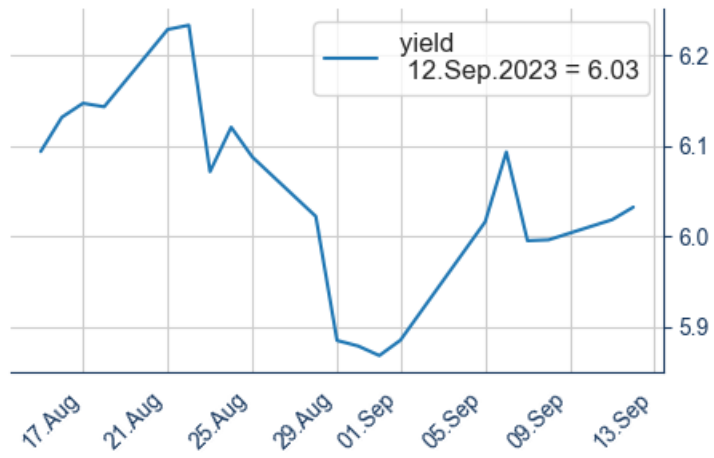


## Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg



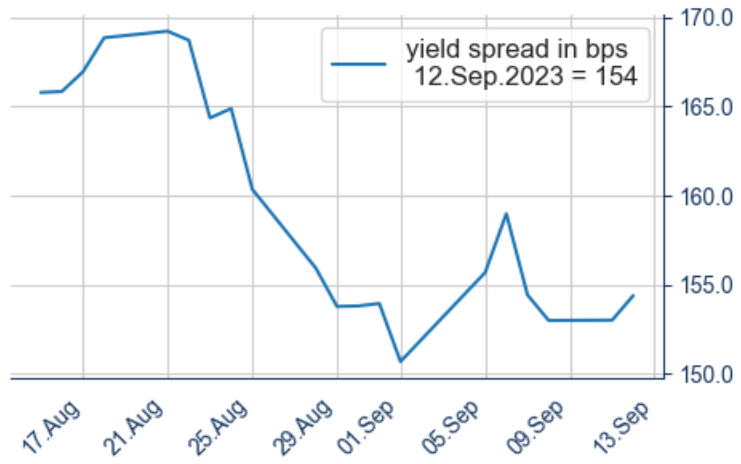
### MBS Current Coupon Yield



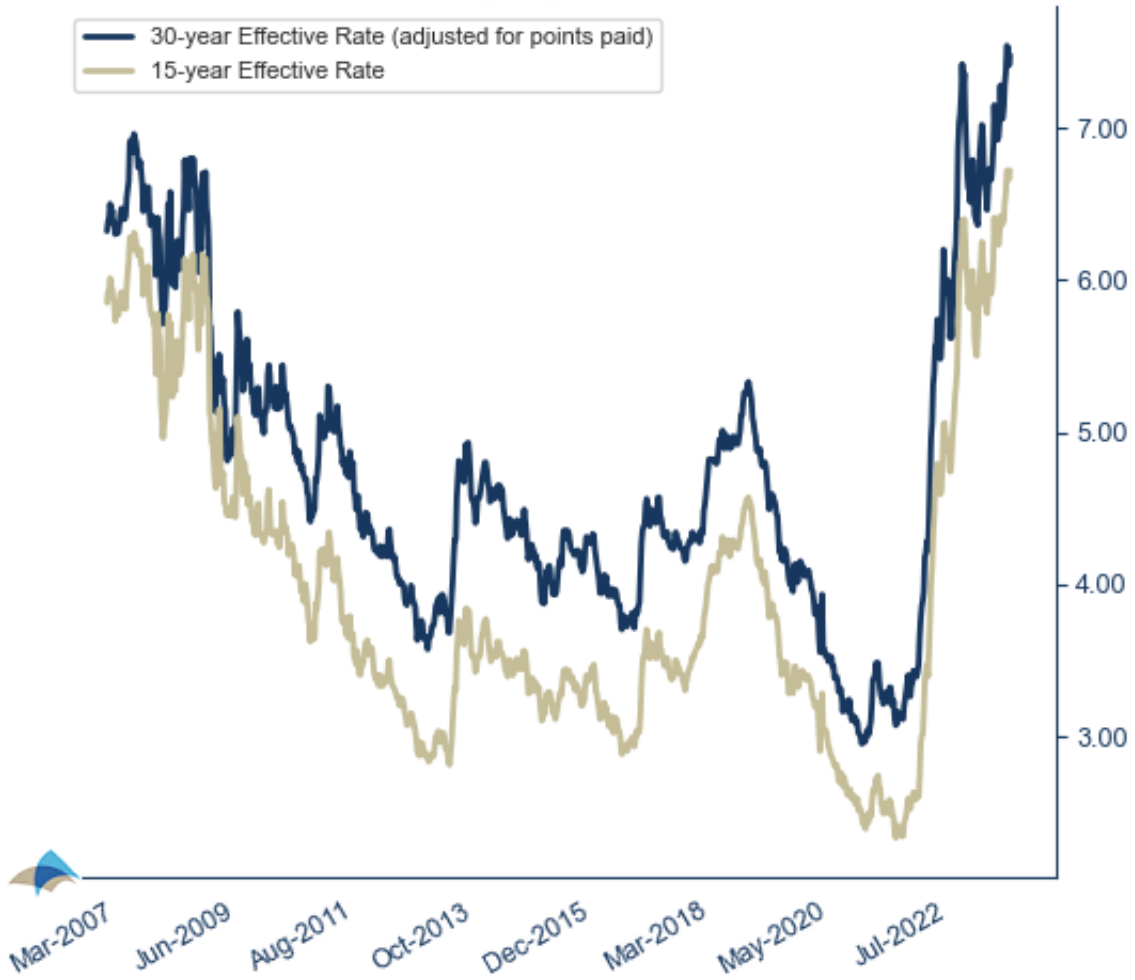
# MBS Current Coupon spread to Blend of Treasury Yields



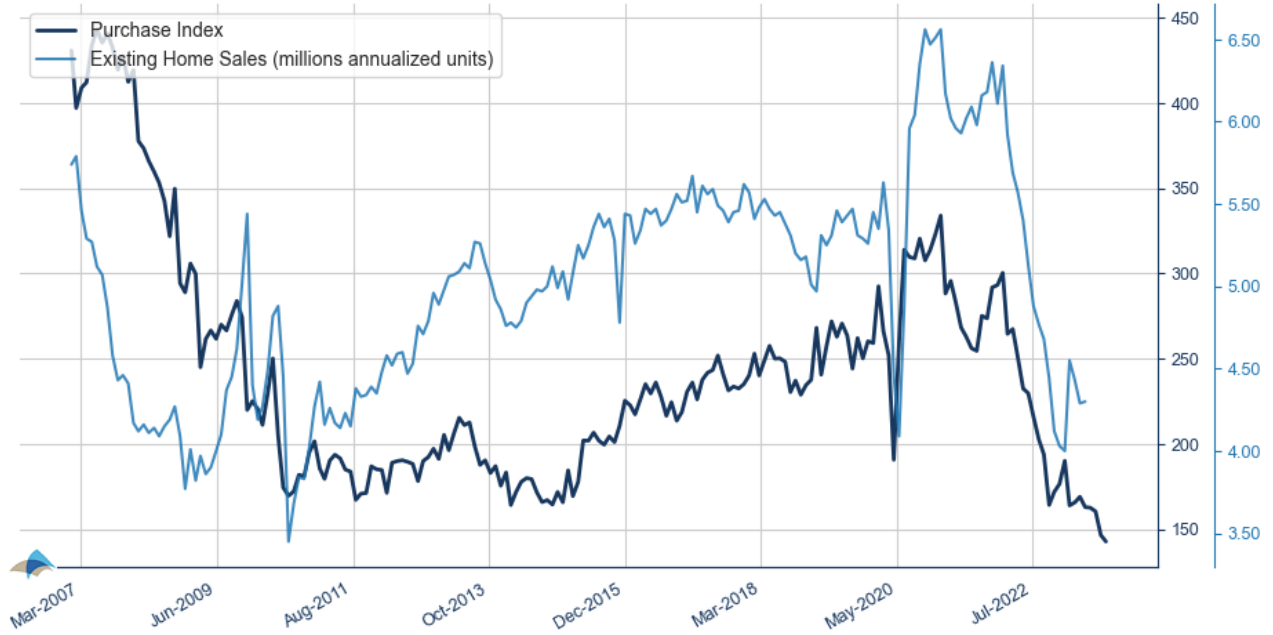
last 20 trading days



# Mortgage Rates



# Purchase Index vs. Existing Home Sales





## Refi Index vs. Mortgage Rate



Weekly MBA Mortgage Application Survey	08.Sep	01.Sep	25.Aug	18.Aug	MTD Avg	Prior Mo. Avg.	13wk. Avg.	52wk. Avg.
<b>Total Applications Index</b>	<b>182.20</b>	<b>183.60</b>	<b>189.00</b>	<b>184.80</b>	<b>182.90</b>	<b>190.32</b>	<b>198.94</b>	<b>210.46</b>
<b>Week % Chg</b>	<b>-0.80</b>	<b>-2.90</b>	<b>2.30</b>	<b>-4.20</b>				
<b>Total Apps NSA % Chg.</b>	<b>-12.02</b>	<b>-4.58</b>	<b>0.52</b>	<b>-5.61</b>				
Purchase Index	143.70	141.90	144.90	142.00	142.80	146.57	154.77	167.33
Purch. Idx - % Chg.	1.27	-2.07	2.04	-5.02				
Refinance Index	367.00	388.10	407.10	397.10	377.55	407.17	416.15	422.85
Refi. Idx - % Chg.	-5.44	-4.67	2.52	-2.77				
Ref % Tot	29.10	30.00	30.10	29.50	29.55	29.23	28.48	28.63
MBA 30-yr Fixed Mortgage Effective Rate	7.48	7.41	7.53	7.54	7.45	7.43	7.23	6.90
MBA 30-yr Fixed Points	0.72	0.69	0.73	0.78	0.70	0.72	0.69	0.71
MBA 15-yr Fixed Mortgage Contract Rate	6.72	6.66	6.72	6.72	6.69	6.63	6.48	6.11
MBA 15-yr Fixed Mortgage Effective Rate	6.72	6.66	6.72	6.72	6.69	6.63	6.48	6.11
MBA 15-yr Fixed Points	1.01	0.86	1.11	1.06	0.94	1.01	0.90	0.81
MBA 5-yr ARM Effective Rate	6.59	6.33	6.48	6.50	6.46	6.39	6.27	5.75
% of ARMs	7.50	6.70	7.50	7.60	7.10	7.25	6.70	7.87
% of \$ARMs	16.90	15.50	16.50	16.20	16.20	16.07	14.47	15.90

source: Mortgage Banker Association via Bloomberg Professional