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## **Today's Market Update for Jan 17, 2024**

### **Market Summary: Understanding Today's Mortgage Rates**

#### **Current Mortgage Rate Trends**

In recent days, we've seen a noticeable change in mortgage rates, and it's important for you to understand what this means, especially if you're looking to buy, sell, or refinance a home. Rates have unfortunately worsened, continuing a trend from yesterday. This means if you're planning to close on a home soon, it's wise to lock in your rate now. The risk of rates increasing further today is moderate, and this could be influenced by Federal Reserve (Fed) officials' statements.

#### **Recent Developments and Their Impact**

Just yesterday, we experienced a significant shift in market sentiment regarding the Fed's interest rate plans. This is crucial because these plans directly affect your mortgage rates. Fed Governor Christopher Waller discussed the Fed's approach to lowering rates, noting a more cautious and gradual approach compared to the past. This shift is due to the current economic strength, unlike previous situations where the Fed cut rates to boost a struggling economy. The implication here is that we might see fewer rate hikes in 2024 than initially expected, aligning more with the Fed's forecast of three hikes rather than the six anticipated by the market.





## Recommendations Based on Your Closing Timeline

- **Closing in Less than 15 Days:** If your loan is closing within the next two weeks, it's advisable to lock in your rate now. Those we serve would have already received our alert to lock in before the recent rate increase.
- **Closing in 15-30 Days:** For those closing in about two to four weeks, strongly consider locking in your rate. The likelihood of rates climbing higher in the near term is greater than them dropping.
- **Closing in Over 30 Days:** If your closing is more than a month away, you have the flexibility to wait and see. These loans can afford to cautiously monitor the market, especially around the upcoming Fed meeting. There's a good chance to lock in at the current rates again, even if they rise temporarily.

## Final Thoughts

In these times, staying informed and making timely decisions is key to navigating the mortgage landscape. Remember, we're here to help guide you through this process. If you have friends, family members, or co-workers looking to buy, sell, or refinance, we would be honored to assist them with the same level of care and expertise. Let's work together to find the best path forward in your home financing journey.

## About Today's Lock Commentary...

*The views and commentary are provided by Ron Siegel, an industry veteran with certifications: CMA, CDLP, CLA, VMA. Ron is a radio host who studies the markets and reviews many rate reports daily.*

*Ron's view on rates comes from an Originator's point of view, seeing each loan as a real person with a real desire to save some money or improve their rate situation - not a hedge fund where we "manage risk" and "take some loans off the table".*

*In addition to hosting a daily, syndicated radio program since 2010, Ron is a Branch Manager with Geneva Financial and licensed under NMLS 217037.*

