



MORTGAGE STRATEGISTS
"WHERE STRATEGY COUNTS!"
EMPOWERED BY **NEXA**

Get this Market Update from a friend? Subscribe and receive it daily **ABSOLUTELY FREE** by clicking [HERE!!](#)

Market Update for January 18, 2024

Current Trends in the Housing and Mortgage Market

Inflation and Mortgage Bonds

- The start of the day sees mixed stocks and stable mortgage bonds.
- The Atlanta Fed's report shows a decrease in business inflation expectations, indicating that inflation might be slowing down.

Builder Confidence in the Housing Market

- The NAHB Housing Market Index, which measures builder confidence, has risen significantly to its highest point since September, although it's still in a contraction phase.
All components of the index improved:
Current Sales increased to 48.
Future Expectations rose to 57, indicating expansion.
Buyer Traffic went up to 29.
- This trend mirrors early last year, suggesting that the housing market could see more growth as we head into 2024.

Housing Starts and Building Permits

- There was a 4% decrease in Housing Starts in December, but they're still up 8% year over year.
- Single-Family Starts, crucial for the market, dropped 9% but are up 16% from last year.
- Building Permits, which predict future housing supply, increased by 2%, with Single-Family Permits up 2% and 33% year over year, respectively.
- The completed new homes set to come to market this year are below the demand, indicating continued support for home values, especially as we approach the spring buying season.

Job Market and Unemployment Claims

- Initial Jobless Claims fell to the lowest level since the 1960s, but holiday timing might have affected these numbers.
- Continuing Claims, representing ongoing unemployment benefits, also decreased. However, it's not clear whether this is due to people finding jobs or benefits expiring.



MORTGAGE STRATEGISTS
"WHERE STRATEGY COUNTS!"
EMPOWERED BY **NEXA**
Mortgage

Technical Analysis of the Mortgage Market

- Mortgage Bonds are below the 25-day Moving Average but have formed a base that might hold.
- The 10-year yield broke above its 200-day Moving Average, now at 4.10%, suggesting that yields could rise further. For now, it's advisable to start the day with a floating approach in the mortgage market.

About Today's Lock Commentary...

The views and commentary are provided by Matt Robertshaw, an industry veteran of over 20 years. The views on rates come 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”. These views, while heavily researched, are still the opinion of Matt and the Mortgage Strategists. Please do your own due diligence when it comes to locking or floating a mortgage rate.

Matt is a licensed Mortgage Loan Originator in the state of Texas, licensed under NMLS 925153.