



# **THIS WEEK'S MARKET UPDATE**


**WEEK OF FEBRUARY 23, 2024**

# YOUR TEAM




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# MORTGAGE RATES THIS WEEK

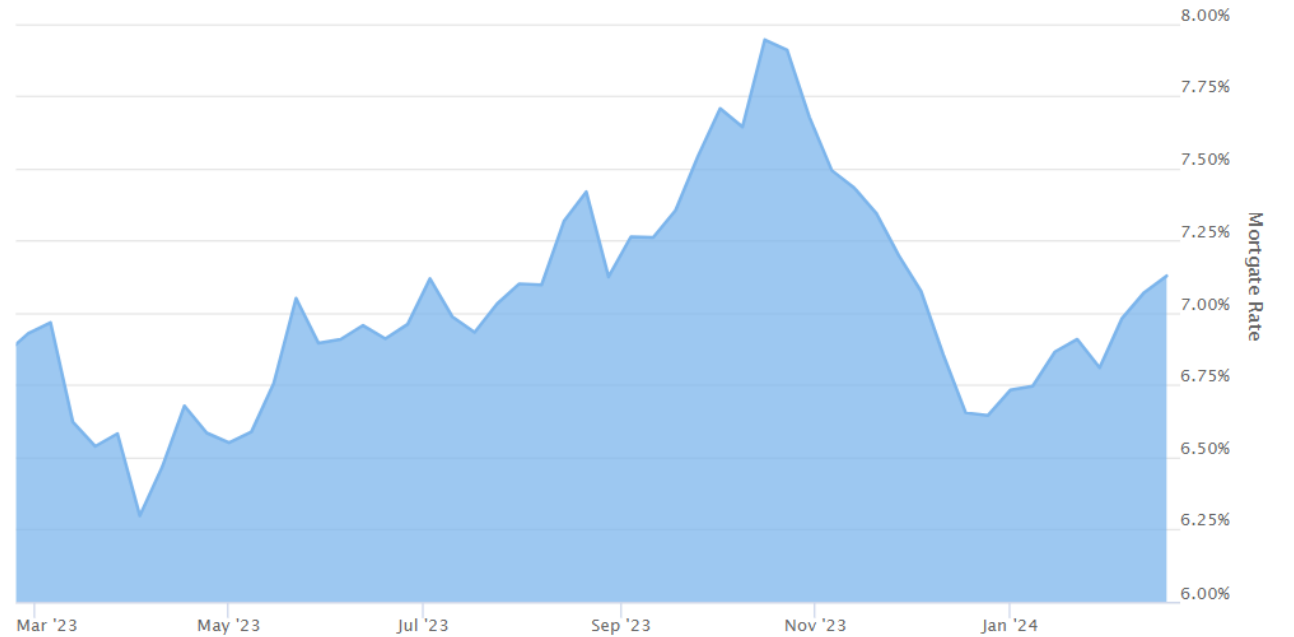
## Today's Mortgage Rates

30 YR Fixed	15 YR Fixed	30 YR FHA	30 YR Jumbo	5/1 ARM	30 YR VA
7.10% -0.06%	6.57% -0.01%	6.65% -0.03%	7.40% -0.02%	6.85% +0.03%	6.68% -0.02%

2/23 2:28PM EST : Real-time Mortgage Rates

## Average 30 YR Fixed Mortgage Rates ▾

Zoom 1M 3M 6M 1YR MAX Chart Type Area Feb 23, 2023 → Feb 23, 2024



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This data is collected from MBS Live, LLC. All rights reserved. The interest rate data provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice. Most important point: the best use of this index is to track the CHANGE from day to day. There are so many things that can cause discrepancies between borrowers, lenders, and quotes. But because we use the same baseline scenario year after year, you can be sure that the CHANGE is a good representation of how rates are moving. The source data is actual rate offerings from a variety of lenders including wholesale, correspondent, and retail. The index is generally updated once per day unless multiple lenders have changed rates during the day. A "top tier" scenario is used as a baseline (75LTV, 780 FICO, etc). We use a proprietary methodology to adjust the rate to account for points. That can mean that lenders are quoting 6.125 with points while our index is at 6.25, hypothetically.

# MORTGAGE BONDS

<b>UMBS 30YR 6%</b>	
<b>100.37</b>	<b>18bp -</b>
9:30 ET	17 bp ▲
10:00 ET	10 bp ▲
10:30 ET	12 bp ▲
11:00 ET	10 bp ▲
11:30 ET	8 bp ▲

<b>10Y UST</b>	
<b>4.2598</b>	<b>6bp -</b>
Open	4.3266
Last	4.2598
High	4.3288
Low	4.2441

<b>SPDR S&amp;P 500 ETF</b>	
<b>508.31</b>	<b>0.81 -</b>
Open	509.27
Last	508.31
High	510.03
Low	507.23

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- 200 DMA  
100.1996
- 100 DMA  
99.9149
- 50 DMA  
101.092
- 25 DMA  
100.8294
- UMBS 30YR 6%  
100.3731

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## NEW JOBS REPORT



CEO of ZipRecruiter

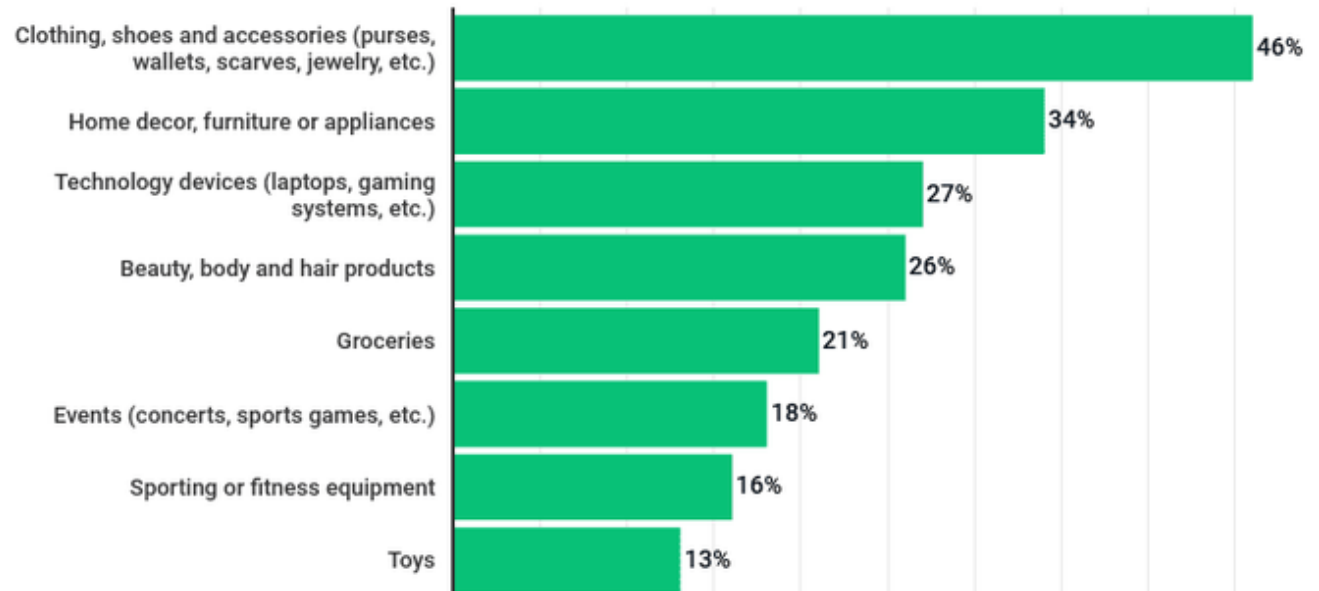
Direct contrast with job market is “strong”, says recruiting has been on a steady decline, 80% of jobs created in 2023 were in 3 industries:

Government

Healthcare

Hospitality/Leisure

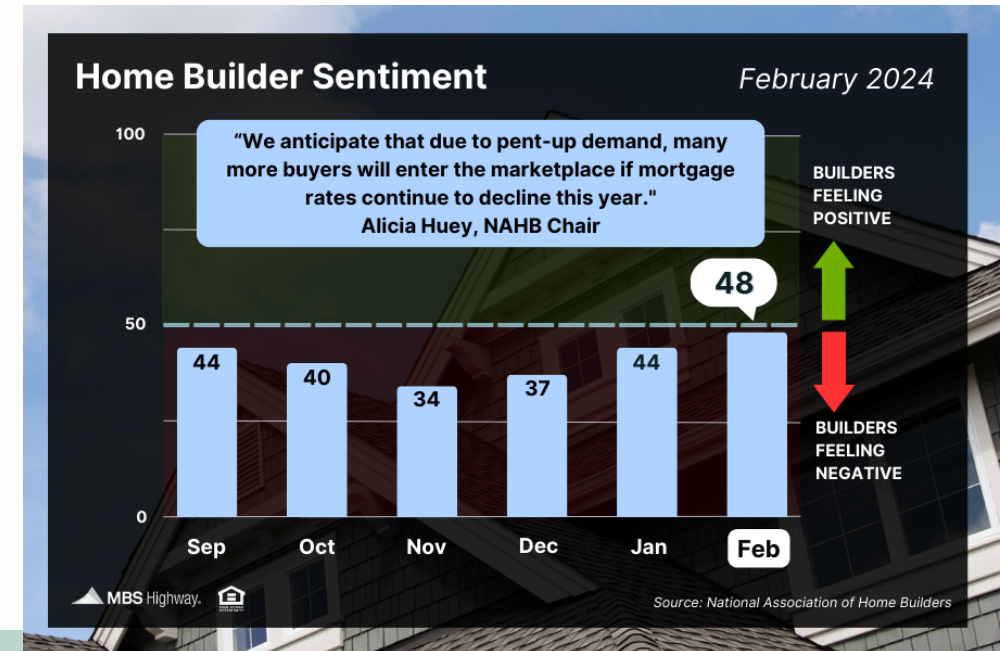
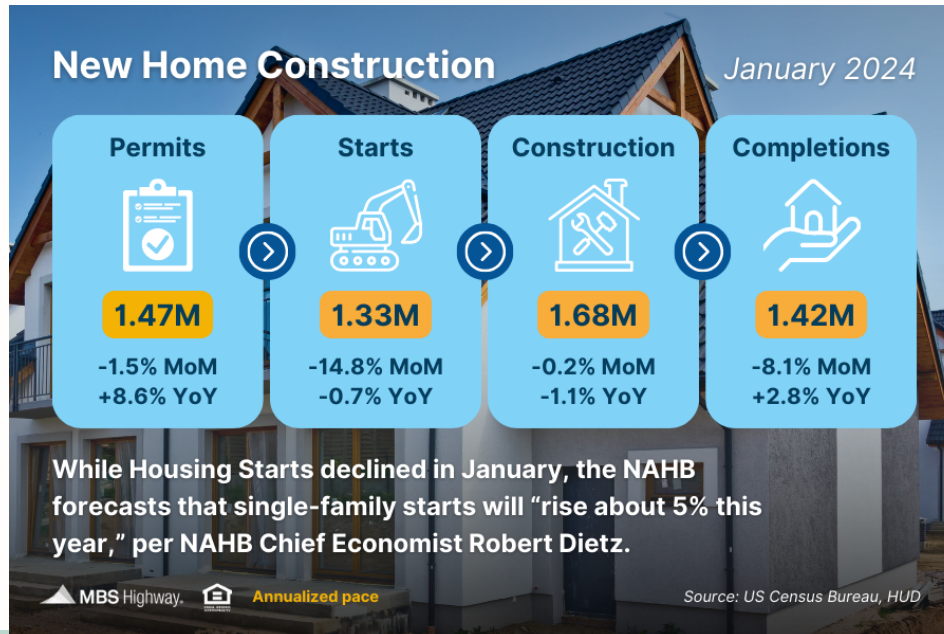
## What consumers have bought with BNPL loans



how often do consumers use buy now, pay later services?

Among Buy Now, Pay Later users, 45% use the service frequently (at least once a month or more); and when shopping online almost half (47%), say they use it “most of the time” or every time they shop for an item.

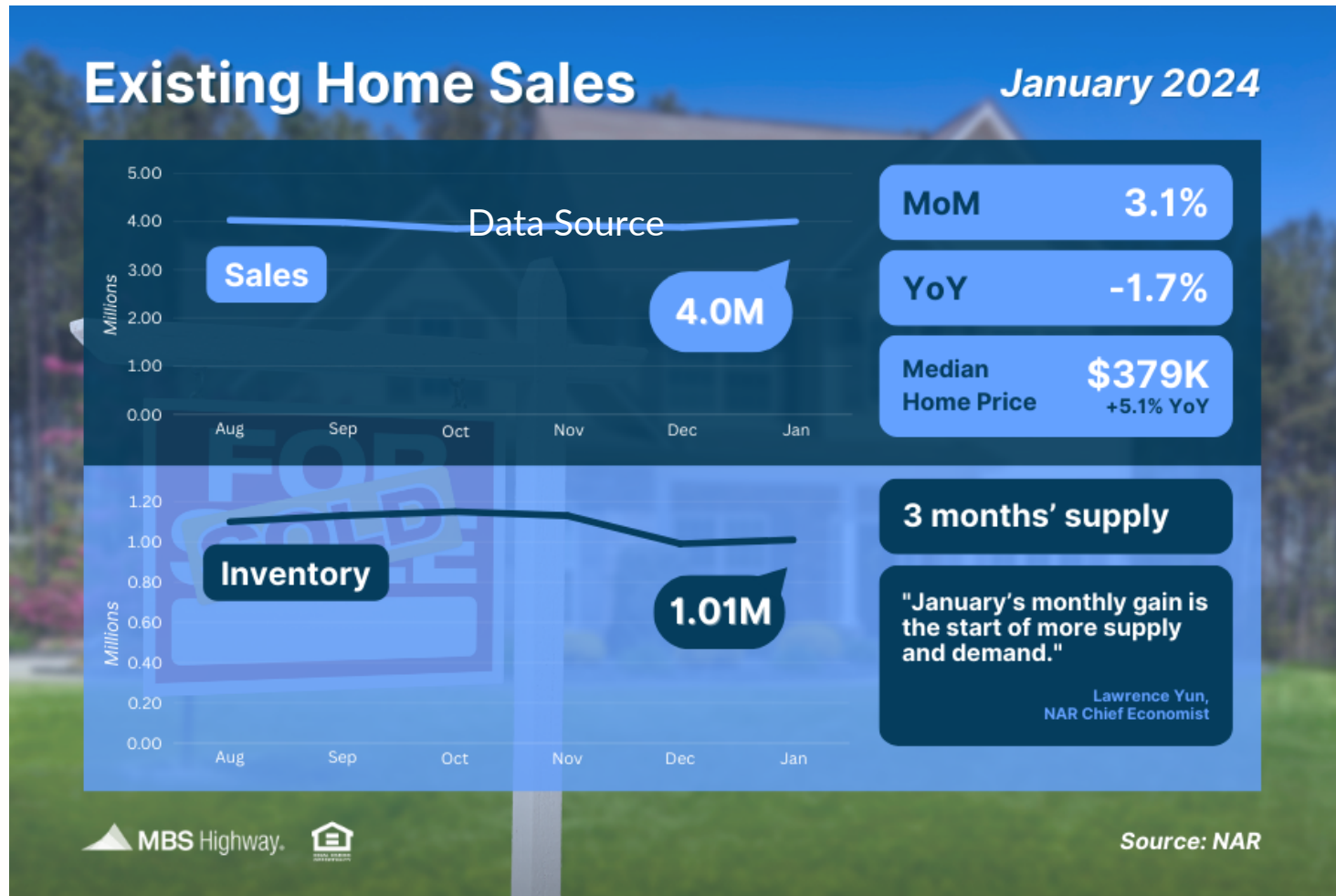
# NEW CONSTRUCTION



Housing Starts hit a five-month low in January, as both single-family and multi-family construction declined when compared to December. However, the NAHB expects construction of single-family homes to rise this year and there are signs to support this. Single-family Building Permits (which reflect future construction) were at their highest level in a year, up 35.7% when compared to January 2023.

# EXISTING HOME SALES (JAN) 2024

Homes Sales are up 3.1% mOm, Median Listed-home price up 5.1% yOyr








December's decline was a bit more modest than the 1 percent dip that we saw in November. But this is also the second steepest December rent decline that we've seen in the history of our index (going back to 2017). The only time that December brought a sharper decline was in 2022, when rents fell by 0.9 percent as the market shifted into the period of sluggishness that still persists. For comparison, from 2017 to 2020, December declines averaged 0.3 percent.

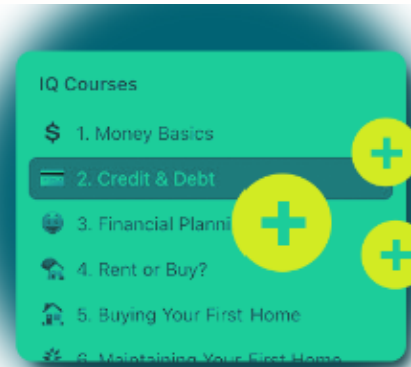


# NEW COURSES!

## New Course Coming Out - Financial Literacy

### Topics Covered

-  The Psychology of Money
-  Financial Planning Basics
-  Credit & Debt Management
-  Rent vs Buy Strategies
-  The Path to Homeownership



# WHAT'S DRIVING RATES

## Inflation Easing

Inflation data for October showed consumer prices rose 7.7% from a year ago, down from 8.2% in September. This could allow the Fed to slow the pace of rate hikes.

## Federal Reserve Policy

The Fed has rapidly raised rates to combat inflation, pushing mortgage rates higher. Further hikes are likely into 2023.

## Recession Fears

Despite the strong job market, recession fears persist due to high inflation and interest rates. This will increase the investment demand on mortgage bonds causing rates to come down.

## Open Houses

Many agents are reporting open houses are getting more traction again; this is a signal we watch for on buyer demand.

## Future of Rates

I do suspect rates are going to continue to come down pretty rapidly this year - industry specialist say anywhere from 6.50-4.99% will be the average rate.

## Mortgage Demand

As rates have come down, mortgage demand is increasing including home equity lines of credit and refinancing, and home buyer activity is up. That will drive investments.

# Top Tips While Shopping

- **Timing Is Key**

Timing is going to be crucial this year, as we see rates continue to come down - we will see a ramp-up in buyers causing an increase in purchase prices.

- **Improve Your Credit**

Lenders offer better rates to borrowers with higher credit scores. Pay down debts and correct errors to boost your score.

- **Lower Your Debt-to-Income Ratio**

Maximize down payment to lower your loan amount. Lenders view borrowers with lower DTI ratios as lower risk.

- **Temporary Rate Buy Downs**

It's important to weigh pros & cons of having seller proceeds used to temporarily buy down your rate.

- **Reminder about Refinancing**

I do think rates will continue to improve in 2024, and better yet in 2025. I think it's important we remind you that on most loan programs, we will need to full re-qualify to refinance. So keep working on your credit & budget during this period of time.