

THE FEDERAL SAVINGS BANK

**Ted Rood**

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ted_rood@yahoo.com**A Message from Ted Rood:***"Trump Trade Tweets led to mortgage gains today!"***UPDATE: Sideways in Much Stronger Territory**

The domestic session has been eerily calm/sideways after opening in much stronger territory. Over the weekend, Trump tweeted that he plans to increase tariffs from 10% to 25% on \$200bln of Chinese imports. This is on top of a 25% levy on a separate \$325bln. That may not be the most relevant reason for the big drop in stocks and bond yields, however.

Giving the news sharper teeth was a separate report from the WSJ that this week's trade talks have been cancelled--a striking development not only in light of the additional tariffs implied by the Trump tweet, but because last week's chatter suggested a trade deal as early as this week.

Markets can't be sure if they're witnessing a negotiation strategy or a material breakdown in trade deal progress, so they have to price in some of both. In other words, if this was a confirmed breakdown, yields and stocks would likely be much lower. And it was an obvious negotiation tactic, we might not be doing quite as well.

Stocks have recovered nearly half of their over-the-weekend drop, but bond yields haven't been eager to follow. 10yr yields have been holding exceptionally flat just under 5bps lower on the day (2.484% currently). Fannie 3.5 MBS are up 6 ticks (0.19) at 101-05 (101.16).

**MBS & Treasury Market Data**

	Price / Yield	Change
MBS UMBS 6.0	99.37	+0.30
MBS GNMA 6.0	100.35	+0.27
10 YR Treasury	4.6645	-0.0394
30 YR Treasury	4.7739	-0.0400

Pricing as of: 4/26 5:05PM EST

Average Mortgage Rates

	Rate	Change	Points
Mortgage News Daily			

30 Yr. Fixed	7.45%	-0.07	0.00
15 Yr. Fixed	6.86%	-0.05	0.00
30 Yr. FHA	6.95%	-0.05	0.00
30 Yr. Jumbo	7.64%	-0.04	0.00
5/1 ARM	7.50%	-0.05	0.00

Freddie Mac

30 Yr. Fixed	7.17%	-0.27	0.00
15 Yr. Fixed	6.44%	-0.32	0.00

Mortgage Bankers Assoc.

30 Yr. Fixed	7.24%	+0.11	0.66
15 Yr. Fixed	6.75%	+0.11	0.64
30 Yr. FHA	7.01%	+0.11	0.94
30 Yr. Jumbo	7.45%	+0.05	0.56
5/1 ARM	6.64%	+0.12	0.87

Rates as of: 4/26

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Responsive service, experienced expertise

I've dedicated my 22 year mortgage career to client education, superior service, and honest answers. The lending landscape has changed dramatically the past few years, and continues to do so. My job is to ensure client partners' loans close quickly, without surprises, and I take that responsibility very seriously. Referrals are a responsibility I appreciate; they're a measure of trust, and that trust must be earned every day, on every referral.

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