

THE FEDERAL SAVINGS BANK

**Ted Rood**

Mortgage Banker, Homesite Mortgage LLC

NMLS #543290

2299 Technology Drive, Suite 2A5 O Fallon, Missouri

Office: 3147400004

Mobile: 314-740-0004

[ted\\_rood@yahoo.com](mailto:ted_rood@yahoo.com)**A Message from Ted Rood:**

"Trade Tariff Drama means lower rates, so at least there's some upside for home shoppers!"

**Lowest Mortgage Rates in a Month**

**Mortgage rates** dropped noticeably this morning as financial markets opened sharply changed from Friday's latest levels thanks to Trump trade tweets over the weekend. The stock market dropped to its lowest levels in several weeks before bouncing back as the day progressed. As money flew out of stocks, it found a safe haven in the bond market. Mortgage rates are most directly affected by the bond market, and when demand for bonds increases, rates fall.

The average lender was offering its best rates in roughly a month this morning. You'd have to go back to April 10th to see anything lower. And there were multiple lenders offering their lowest rates since April 1st.

Rates will remain susceptible to trade-related headlines throughout the week as there isn't much else on the calendar of events (at least not in terms of events that the bond market typically cares about). To whatever extent trade talks look like they will bear fruit, it would put **upward pressure** on rates. Conversely, we might assume that negative updates on trade talks would continue to help rates, but markets are skeptical on the source. If a Trump tweet is all we have, the average trader will view this as a potential negotiation tactic and thus not as meaningful a reason to chase rates to even lower levels.

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<http://mortgageratesupdate.com/tedrood>

**National Average Mortgage Rates**

|                            | Rate  | Change | Points |
|----------------------------|-------|--------|--------|
| <b>Mortgage News Daily</b> |       |        |        |
| 30 Yr. Fixed               | 7.28% | -0.09  | 0.00   |
| 15 Yr. Fixed               | 6.75% | -0.07  | 0.00   |
| 30 Yr. FHA                 | 6.70% | -0.12  | 0.00   |
| 30 Yr. Jumbo               | 7.48% | -0.07  | 0.00   |
| 5/1 ARM                    | 7.35% | -0.07  | 0.00   |

**Freddie Mac**

|              |       |       |      |
|--------------|-------|-------|------|
| 30 Yr. Fixed | 7.22% | -0.22 | 0.00 |
| 15 Yr. Fixed | 6.47% | -0.29 | 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: 5/3

**MBS and Treasury Market Data**

|                | Price / Yield | Change |
|----------------|---------------|--------|
| MBS UMBS 6.0   | 100.09        | +0.31  |
| MBS GNMA 6.0   | 101.03        | +0.29  |
| 10 YR Treasury | 4.5138        | 0.0000 |
| 30 YR Treasury | 4.6711        | 0.0000 |

Pricing as of: 5/5 7:51PM EST

## 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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