

Tony Mosco
Owner/Broker, Suncoast Mortgage Firm
NMLS#2604189
NMLS #1919591
8270 Woodland Corporate Center Tampa, Florida 33614

Mobile: 813-599-3533
tony@suncoastmortgagefirm.com
View My Website

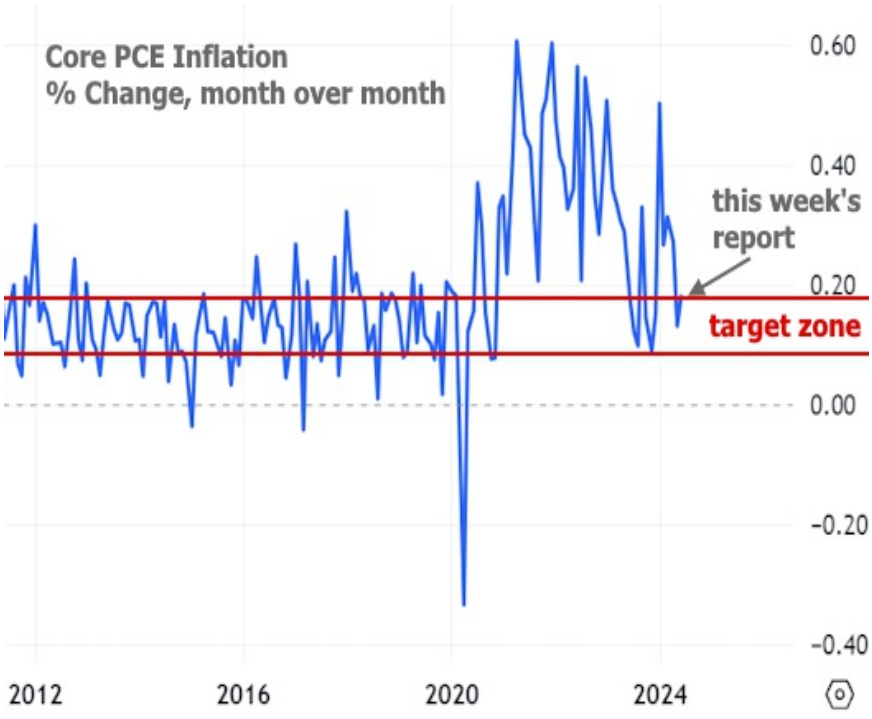
Inflation Data Continues Paving The Way For (Eventual) Rate Cuts

This week's most important economic data was the PCE price index which is the gold standard of big picture inflation measurement. For those hoping to see rates drop, it was important for PCE to confirm the progress seen in the CPI data (the other major inflation index that came out 2 weeks ago).

Spoiler alert: PCE confirmed the progress, but there are a few nuances.

Perhaps most importantly, this week's PCE data covers the same time frame as the CPI data two weeks ago. In other words, it's not quite as awesome as 2 consecutive months of "mission accomplished" levels of inflation (which has now arguably been cemented for June), but it's nonetheless an important milestone in the path toward rate cuts.

What exactly does "mission accomplished" mean? This simply refers to Fed's 2% annual inflation target, typically tracked via Core PCE which excludes more volatile food and energy prices. In order to hit 2%, monthly inflation readings need to average roughly .17%. This time around, it was .182%--definitely in the historical range of on-target inflation from before the pandemic.



National Average Mortgage Rates



Mortgage News Daily	Rate	Change	Points
30YR Fixed	7.42%	+0.12	0.00
15YR Fixed	7.00%	+0.08	0.00
30YR FHA	7.00%	+0.11	0.00
30YR Jumbo	7.46%	+0.06	0.00
7/6 SOFR	7.05%	+0.25	0.00
30YR VA	7.01%	+0.11	0.00

Rates as of: 11/12

MBS and Treasury

	Price / Yield	Change
MBS UMBS 6.0	98.75	-0.01
10 YR Treasury	5.1463	+0.0167
30 YR Treasury	5.4650	+0.0102

Pricing as of: 11/12 7:01PM EST

Recent Housing Data

		Value	Change
Mortgage Apps	Oct 28	192.6	-1.23%
Building Permits	Sep	1.4M	+0.43%
Housing Starts	Sep	1.22M	-4.24%
New Home Sales	Sep	676K	-1.17%
Pending Home Sales	Aug	71.2	0%
Existing Home Sales	Oct	3.99M	+0.25%
Builder Confidence	Oct	29	-9.38%

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates 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.

Read or subscribe to my newsletter online at: http://mortgageratesupdate.com/tonymosconmls1919591

While the chart above makes it look like victory has been achieved, the inflation target is technically an annual thing, so we need to see more months in the target zone before the year over year number falls into line.



Even then, the Fed has clearly stated that the annual change doesn't need to hit 2% as long as they're confident that it will. Prior to this week's data, the average Fed member has expressed an increasing amount of said confidence. It's not thought to be enough for a rate cut at next week's Fed meeting, but it's widely believed to result in a September rate cut, as long as the data doesn't do anything crazy between now and then.

The Fed can also consider other aspects of the inflation data--especially in categories that have been stubbornly high while also accounting for a large proportion of the total. Housing is the by far and away the best example of this, accounting for about a quarter of all inflation in this week's data, and more than a third in the CPI data.

Here's how CPI's shelter component looked for June when we covered it 2 weeks ago:

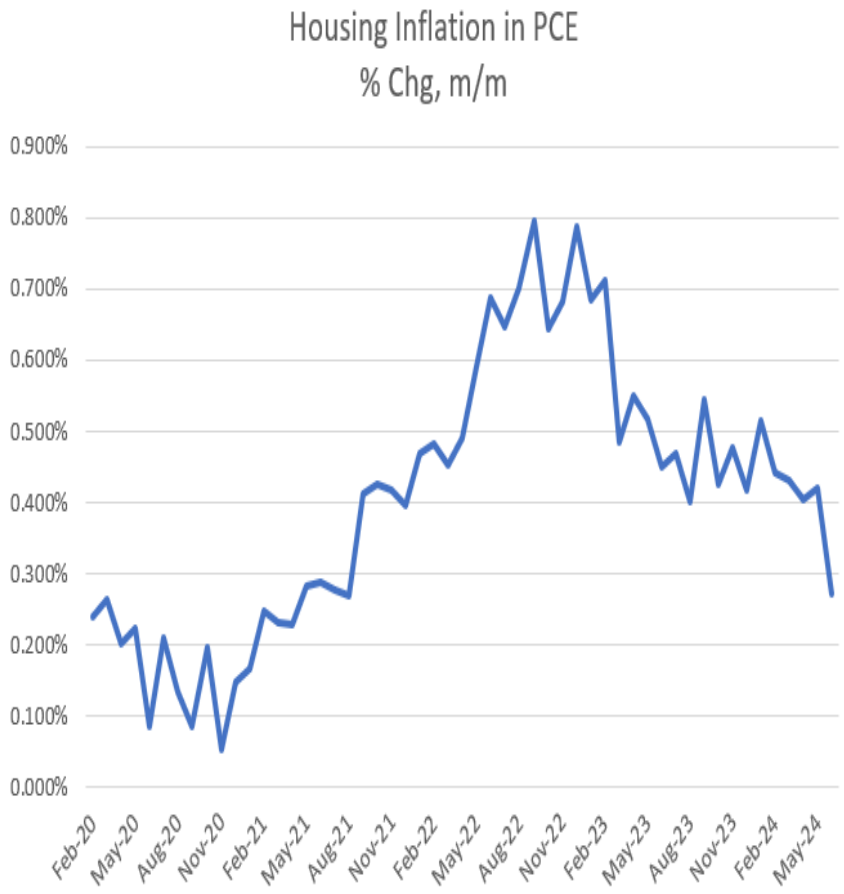
© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates 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.

Read or subscribe to my newsletter online at: http://mortgageratesupdate.com/tonymosconmls1919591



And here's how this week's PCE data confirmed the big drop in housing inflation:



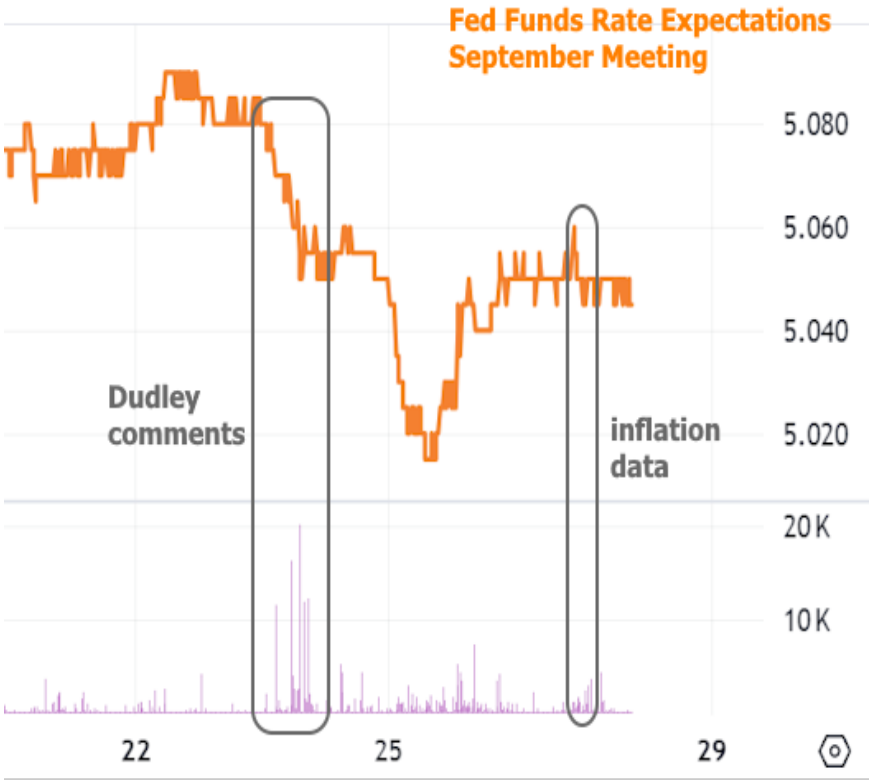
© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates 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.

Read or subscribe to my newsletter online at: http://mortgageratesupdate.com/tonymosconmls1919591

The scales of the two charts are different, but the message is the same: housing inflation dropped sharply to the slowest pace since it was still on the way up in 2021. If this stubborn ingredient is finally softening, it's hard to imagine the Fed being anything other than perfectly confident that it's time to start cutting rates. They wouldn't need to see any improvement in housing inflation from here. It would merely need to remain near these levels.

If all of the above sounds fairly compelling, there's a major curve ball to be aware of. While it's all true and while the conclusions are very much in line with the market consensus, it didn't have any impact on the odds for a rate cut in September. The only thing that made a dent in those odds this week was an op-ed from former NY Fed Pres William Dudley who said the Fed should cut even sooner.

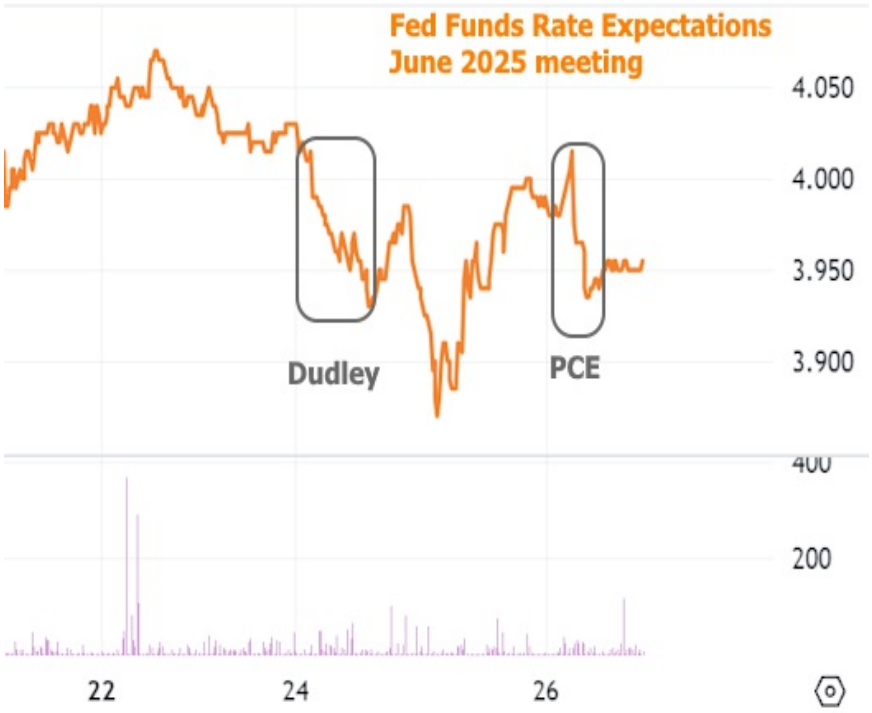


The best way to take a swing at that curve ball would be to point out that the PCE data still mattered, but its effects on the rate cut outlook don't show up in near term Fed meeting months. If we change the chart above from September to next June, things make more sense.

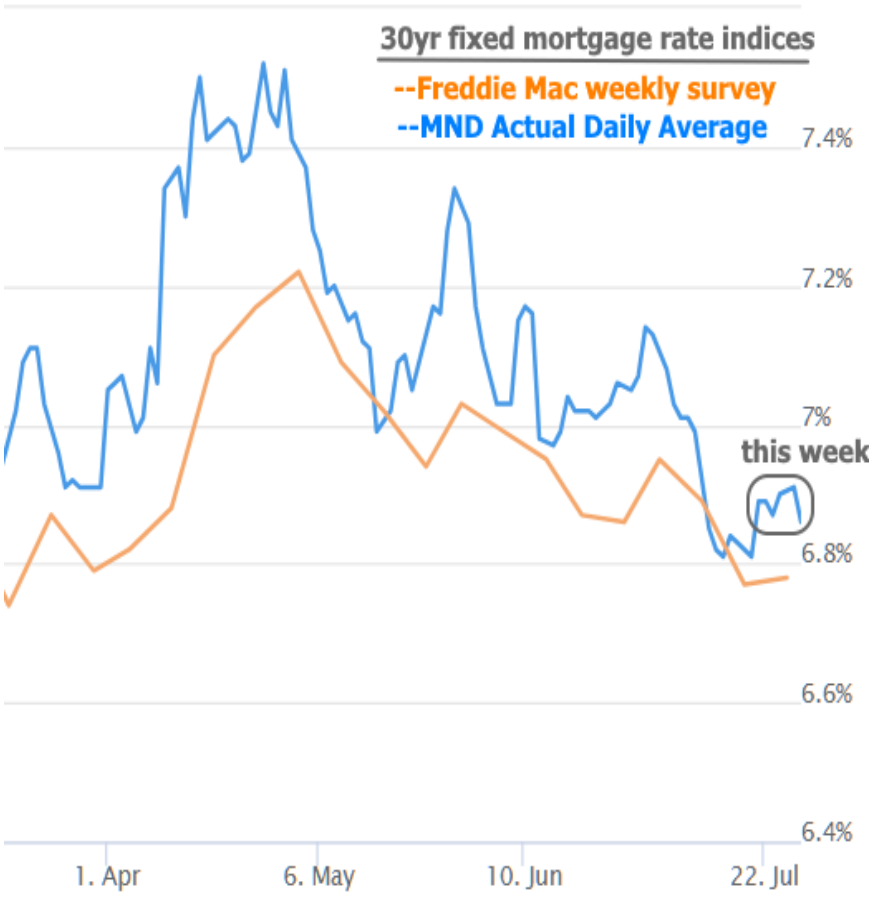
© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates 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.

Read or subscribe to my newsletter online at: http://mortgageratesupdate.com/tonymosconmls1919591



Despite the important big picture milestone, movement in the bond/rate market was subdued yet again this week.



© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates 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.

Read or subscribe to my newsletter online at: http://mortgageratesupdate.com/tonymosconmls1919591

US Housing Market Weekly

July 26, 2024

Volatility risks increase in the coming week with the arrival of more timely big ticket economic data. Friday's jobs report is always the headliner on the first week of a new month, but this time around, we'll also get a chance to hear from the Fed on Wednesday.

To reiterate, it's highly unlikely that the Fed opts to shock the market with a surprise rate cut, but precedent suggests that they'll do something to tee up a September cut if they're as convinced as the market is. This could either occur in the text of the policy announcement or in the press conference with Fed Chair Powell that follows 30 minutes later.

Subscribe to my newsletter online at: http://mortgageratesupdate.com/tonymosconmls1919591

Recent Economic Data

Date	Event	Actual	Forecast	Prior
Tuesday, Jul 23				
10:00AM	Jun Existing home sales (ml)	3.89M	4M	4.11M
Wednesday, Jul 24				
7:00AM	Jul/19 MBA Refi Index	614.9		613.0
7:00AM	Jul/19 MBA Purchase Index	134.8		140.4
9:45AM	Jul S&P Global Services PMI	56	55	55.3
9:45AM	Jul S&P Global Manuf. PMI	49.5	51.7	51.6
10:00AM	Jun New Home Sales (ml)	0.617M	0.64M	0.619M
Thursday, Jul 25				
8:30AM	Jun Durable goods (%)	-6.6%	0.3%	0.1%
8:30AM	Q2 GDP (%)	2.8%	2%	1.4%
8:30AM	Q2 Core PCE Prices QoQ Final	2.9%	2.7%	3.7%
8:30AM	Jul/20 Jobless Claims (k)	235K	238K	243K
Friday, Jul 26				
8:30AM	Jun Core PCE (m/m) (%)	0.2%	0.1%	0.1%
8:30AM	Jun Core PCE Inflation (y/y) (%)	2.6%	2.5%	2.6%
10:00AM	Jul Consumer Sentiment (ip)	66.4	66	68.2
Monday, Jul 29				
3:00PM	Treasury Refunding Financing Estimates (%)			
Tuesday, Jul 30				
9:00AM	May FHFA Home Prices y/y (%)	5.7%		6.3%
9:00AM	May Case Shiller Home Prices-20 y/y (%)	6.8%	6.7%	7.2%
10:00AM	Jun USA JOLTS Job Openings	8.184M	8M	8.14M
10:00AM	Jul CB Consumer Confidence (%)	100.3	99.7	100.4
Wednesday, Jul 31				
8:15AM	Jul ADP jobs (k)	122K	150K	150K
8:30AM	Q2 Employment costs (%)	0.9%	1%	1.2%
8:30AM	Treasury Refunding Announcement (%)			
9:45AM	Jul Chicago PMI	45.3	45	47.4

Event Importance:

No Stars = Insignificant
☆ Low
★ Moderate
★★ Important
★★ Very Important

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates 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.

Read or subscribe to my newsletter online at: http://mortgageratesupdate.com/tonymosconmls1919591

Date	Event	Actual	Forecast	Prior
10:00AM	Jun Pending Home Sales (%)	4.8%	1.5%	-2.1%
2:00PM	Fed Interest Rate Decision	5.5%	5.5%	5.5%
2:30PM	Fed Press Conference			
Thursday, Aug 01				
8:30AM	Jul/27 Jobless Claims (k)	249K	236K	235K
10:00AM	Jul ISM Manufacturing PMI	46.8	48.8	48.5
10:00AM	Jun Construction spending (%)	-0.3%	0.2%	-0.1%
Friday, Aug 02				
8:30AM	Jul Average earnings mm (%)	0.2%	0.3%	0.3%
8:30AM	Jul Non Farm Payrolls	114K	175K	206K
8:30AM	Jul Unemployment rate mm (%)	4.3%	4.1%	4.1%
10:00AM	Jun Factory orders mm (%)	-3.3%	-2.9%	-0.5%

Experienced, Dedicated, and Trustworthy

Tony Mosco of Suncoast Mortgage Firm exemplifies professionalism, responsiveness, and unwavering integrity in guiding clients through the home purchase or refinance process. Dedicated to his clients' best interests, Tony takes the time to thoroughly educate them on a wide range of loan options, empowering them to make well-informed decisions. With a steadfast commitment to finding the most suitable program for each client's unique needs, he consistently delivers above-and-beyond service. Tony holds a Bachelor of Science in Business Administration and a Master of Business Administration with a Finance concentration from The University of Tampa, ensuring a strong foundation of expertise in every client interaction.

Tony Mosco 

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates 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.

Read or subscribe to my newsletter online at: http://mortgageratesupdate.com/tonymosconmls1919591