

Whitney Fite
SVP, Area Manager, Capital City Home Loans
NMLS #75615 | MLO NMLS #546337
1020 Parkside Commons Suite 102 Greensboro, GA 30642

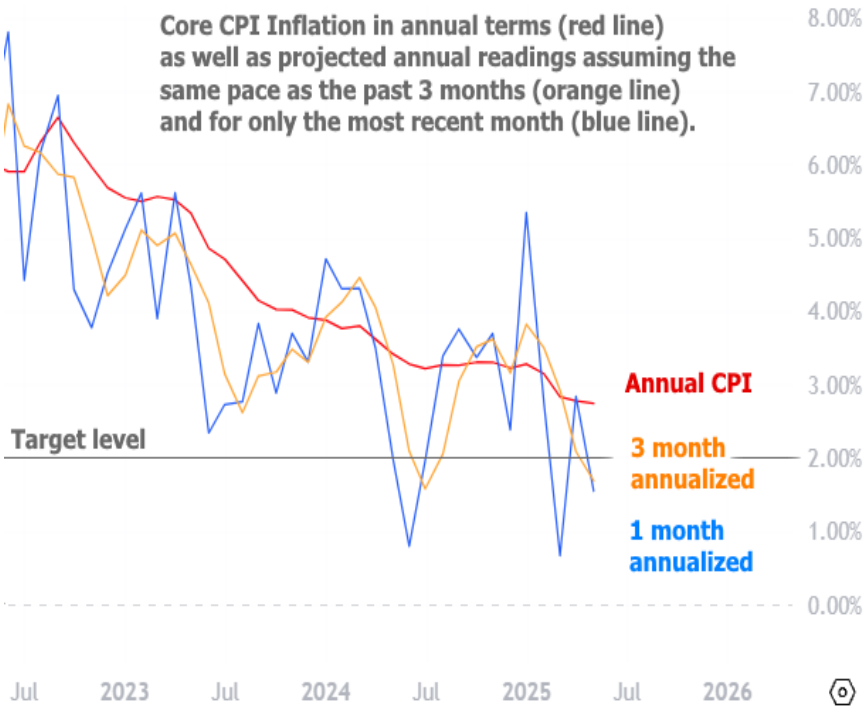
Office: 470-226-2160
Mobile: 770-596-0576
Wfite@cchl.com
View My Website

Mixed Inflation Data Overshadowed by Headline Drama

It was a hotly anticipated week, mainly due to the scheduled release of important inflation data on Tuesday, but the rate market almost got more than it bargained for thanks to unexpected headlines the following day.

Tuesday's Consumer Price Index (CPI) provided the first major, national glimpse of inflation in June. It was also the biggest opportunity yet to see whether tariffs were impacting the numbers--a fact that many recent Fed speeches had reiterated. In a nutshell, if tariff impacts were absent, markets would conclude the Fed would be more keen to cut rates sooner. Needless to say, that created plenty of anticipation.

As it happened, CPI came out higher than last time, but lower than expected.



Normally, that would be good news for mortgage rates—and in the first hour of the market's reaction, that's exactly what we saw. But the celebration didn't last long. As traders dug into the details, they noticed subtle signs that tariffs were beginning to push up prices in certain areas—even if it wasn't enough to affect the overall number.

National Average Mortgage Rates



Mortgage News Daily	Rate	Change	Points
30YR Fixed	7.30%	+0.12	0.00
15YR Fixed	6.92%	+0.09	0.00
30YR FHA	6.89%	+0.07	0.00
30YR Jumbo	7.40%	+0.03	0.00
7/6 SOFR	6.80%	+0.31	0.00
30YR VA	6.90%	+0.07	0.00

Rates as of: 11/10

MBS and Treasury

	Price / Yield	Change
MBS UMBS 6.0	99.31	-0.12
10 YR Treasury	5.0150	+0.0290
30 YR Treasury	5.3616	+0.0059

Pricing as of: 11/12 8:04AM 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/whitney-fite

That gave markets a reason to believe the Fed would remain cautious about cutting rates. The result: a sharp reaction in the bond market that pointed toward higher mortgage rates. It wasn't a massive move, but it kept rates in a higher range relative to the beginning of the month.

Then came Wednesday's "fun with headlines" courtesy of unnamed sources.

After a fairly boring morning with slightly lower rates, reports emerged that Trump had discussed firing Fed Chair Jerome Powell. Markets took the idea seriously. Bonds (which dictate rates) traded at volumes not seen since the April tariff announcements, and longer-term Treasury yields (which correlate strongly with mortgage rates) moved abruptly higher.

That may sound counterintuitive. After all, replacing Powell might seem like a step toward lower rates, right? But we have to remember a few important details:

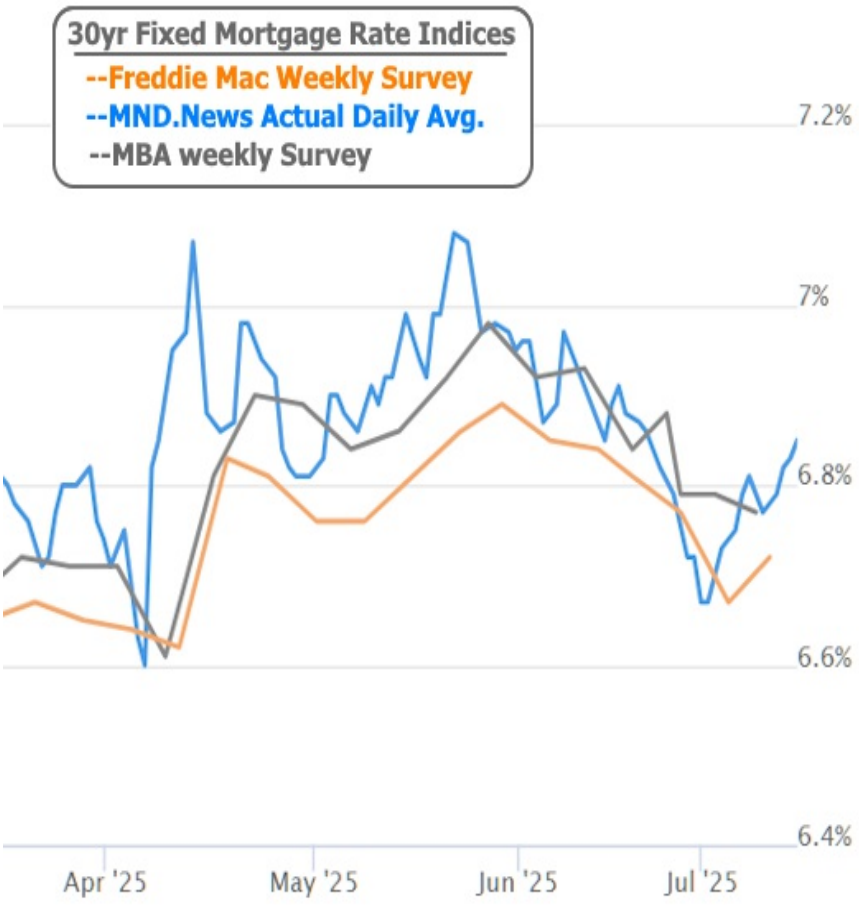
- The Fed only controls the shortest term rates. The rest of the spectrum can vary quite a bit. The longer the term of a bond, the more it can vary.
- Mortgage rates aren't directly set by the Fed in the first place. They're driven by those longer term bonds.
- Demand for those longer term bonds can suffer (lower demand = higher rates) if investors feel that the Fed might cut rates too much or too soon.
- Unjustified cuts can cause inflation concerns and rates hate inflation.
- Demand could also be impacted by lower investor confidence due to politicization of the Fed's policies.

Trump ultimately issued a statement saying that, although he had discussed the idea, he's not actually considering firing Powell. That helped cool things down a bit. Mortgage rates actually didn't rise too much because mortgage lenders only make adjustments a few times a day (and the news came and went before most had reacted).

© 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/whitney-fite



Nonetheless, it was a vivid example of a few things we often revisit:

- Unexpected headlines can always make rates move in unpredictable ways.
- Mortgage rates aren't based on the Fed Funds Rate, but they react instantly to changes in Fed Funds Rate EXPECTATIONS, usually by moving the same direction (when the motivation is organic in the economy), but sometimes counterintuitively (when the motivation is external)

The rest of the week felt pretty underwhelming after that. Thursday brought a mixed bag of Retail Sales data. Overall sales were higher, but after adjusting for inflation, they pointed to weakness in discretionary consumer spending. That was modestly rate-friendly, but didn't do much to change the bigger picture.

"Underwhelming" could be a theme for a few weeks, actually (barring unexpected headlines, of course). We won't get the next round of decisively important data until the first week of August. Now that tariffs are seeping into inflation numbers (albeit modestly), the big jobs report (typically released on the first Friday of the month) is even more important. Low unemployment is the reason the Fed can justify waiting to cut rates. If unemployment begins rising, it would overshadow the type of tariff impacts seen this week. But if it stays steady, rates will struggle to move significantly lower.

Subscribe to my newsletter online at: http://mortgageratesupdate.com/whitney-fite

Recent Economic Data

Date	Event	Actual	Forecast	Prior
Tuesday, Jul 15				

Event Importance:

No Stars = Insignificant
☆ Low

© 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/whitney-fite

Date	Event	Actual	Forecast	Prior
8:30AM	Jul NY Fed Manufacturing	5.50	-9	-16.00
8:30AM	Jun y/y Headline CPI (%)	2.7%	2.7%	2.4%
8:30AM	Jun m/m Headline CPI (%)	0.3%	0.3%	0.1%
8:30AM	Jun y/y CORE CPI (%)	2.9%	3%	2.8%
8:30AM	Jun m/m CORE CPI (%)	0.2%	0.3%	0.1%
Wednesday, Jul 16				
7:00AM	Jul/11 MBA Refi Index	767.6		829.3
7:00AM	Jul/11 MBA Purchase Index	159.6		180.9
8:30AM	Jun Core Producer Prices MM (%)	0%	0.2%	0.1%
8:30AM	Jun Core Producer Prices YY (%)	2.6%	2.7%	3%
8:30AM	Jun Producer Prices (%)	0%	0.2%	0.1%
Thursday, Jul 17				
8:30AM	Jun Retail Sales (%)	0.6%	0.1%	-0.9%
8:30AM	Jul/12 Jobless Claims (k)	221K	235K	227K
8:30AM	Jun Retail Sales Control Group MoM	0.5%	0.3%	0.4%
8:30AM	Jun Import prices mm (%)	0.1%	0.3%	0%
8:30AM	Jul Philly Fed Business Index	15.9	-1	-4.0
10:00AM	Jul NAHB housing market indx	33	33	32
Friday, Jul 18				
8:30AM	Jun Building Permits (ml)	1.397M	1.39M	1.394M
8:30AM	Jun Housing starts number mm (ml)	1.321M	1.30M	1.256M
10:00AM	Jul Sentiment: 5y Inflation (%)	3.6%		4%
10:00AM	Jul Sentiment: 1y Inflation (%)	4.4%		5%
10:00AM	Jul Consumer Sentiment (ip)	61.8	61.5	60.7
10:00AM	Jul U Mich conditions	66.8	63.9	64.8
Wednesday, Jul 23				
10:00AM	Jun Existing home sales (ml)	3.93M	4.01M	4.03M
Thursday, Jul 24				
8:30AM	Jul/19 Jobless Claims (k)	217K	227K	221K
9:45AM	Jul S&P Global Services PMI	55.2	53.0	52.9
10:00AM	Jun New Home Sales (ml)	0.627M	0.65M	0.623M
Friday, Jul 25				
8:30AM	Jun Durable goods (%)	-9.3%	-10.8%	16.4%

☆ 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/whitney-fite

Experience. Integrity. Results - Team Fite

With over 30 years in the mortgage industry, I've built my career on delivering world-class professional service and trusted guidance. I work exclusively by referral, which means my business is built on relationships, not transactions. Every client I serve receives my full attention, expert insight, and a commitment to making their home financing experience smooth and successful.

If you or someone you care about is considering a move or is in need of professional financial guidance, I'd be honored to help.

Whitney Fite 

© 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/whitney-fite