Mortgage Rates Just Had Another Awesome Week

By: Matthew Graham | Fri, Jun 14 2019, 6:07 PM

While we can't say that this week's best **mortgage rate** offerings were **quite** as good as last week's best, they were pretty darn close. In fact, quite a few lenders have simply been quoting the same rates for the entire 2-week period. That happens from time to time, but it never happens after rates make a strong run to the lowest levels in nearly 2 years. Seriously, I can't find any past examples of a similar turn of events. Therefore, it's safe to declare this to be yet another awesome week for rates, even though it's not an awesome week for the average mortgage originator to have much time to sleep, eat, or chill with the fam!

Rather than cry for your friendly neighborhood originator, it makes more sense to **add to their workload** (if you haven't already). With a very important Fed announcement coming up next week, anyone that's in a position to refinance or anyone who is the process of buying a home should make sure they have a game plan in place when it comes to locking rates. The Fed can have a big impact for better or worse. In the event rates are moving quickly higher next week, it could be a good opportunity to lock.

See Rates from Lenders in Your Area

No matter what, please remember that a Fed rate cut, in and of itself, carries **almost no implication for mortgage rates**. Investors have already adjusted bond market trading levels (the stuff that dictates longer-term interest rates like mortgages) to reflect their expectations for the Fed. They currently see roughly 3 rate cuts in 2019. That means today's mortgage rates already include those rate cuts (the ones that haven't happened yet). If the cuts happen as expected, rates wouldn't glean any additional downward pressure (all other things being equal).

Today's Most Prevalent Rates

- 30YR FIXED - 3.875%
- FHA/VA - 3.75%
- 15 YEAR FIXED - 3.75-3.875%
- 5 YEAR ARMS - 3.875-4.25% depending on the lender

Ongoing Lock/Float Considerations

- Early 2019 saw a rapid reevaluation of big-picture trends in rates and in markets in general
- The Federal Reserve has been a key player, and while they aren't the ones pulling the global economic strings, their response (and even their EXPECTED response) to the economy has helped rates fall more quickly than they otherwise might.
- Based on the Fed's laundry list of concerns, the bond market (which determines rates) will be watching economic data closely, both at home and abroad, as well as trade-related concerns. The stronger the data and trade relations, the more rates could rise, while weaker data and trade wars will lead to new long-term lows.
- *Rates discussed refer to the most frequently-quoted, conforming, conventional 30yr fixed rate for top tier borrowers among average to well-priced lenders. The rates generally assume little-to-no origination or discount except as noted when applicable. Rates appearing on this page are "effective rates" that take day-to-day changes in upfront costs into consideration.*

View this Article: https://www.mortgagenewsdaily.com/markets/mortgage-rates-06142019