

Highest Mortgage Rates in Just Over a Month

By: Matthew Graham | Thu, Dec 19 2019, 3:42 PM

Mortgage rates were somewhat **higher again** today--the 4th day in a row that we've been forced to observe such mildly unpleasant things. Technically, this brings the average lender to the highest rates in more than a month, but it's important to note how narrow the range has been and how mild the movement has been on most days. Even if we add up all of the weakness after rates hit their best recent levels at the beginning of the month, the average lender is only 0.125% away from those lows.

Reassuring caveats aside, it's still important to keep in mind that rates are still best described as being in a **mild uptrend** over the past few weeks and in a more volatile uptrend since September. When it comes to planning on locking/floating rates, it makes more sense to be defensive (i.e. don't assume rates will come back down until and unless they give us a clear indication that is what they're doing).

See Rates from Lenders in Your Area

Loan Originator Perspective

Bond markets posted modest, but welcome gains today, and multiple lenders repriced better by early afternoon. The improvements weren't overly ample, but we'll take what we can get. If you're considering locking today, I'd ask your loan officer if his pricing has improved first. -**Ted Rood, Senior Originator**

Today's Most Prevalent Rates For Top Tier Scenarios

- 30YR FIXED - 3.875%
- FHAVA - 3.375% - 3.5%
- 15 YEAR FIXED - 3.375%
- 5 YEAR ARMS - 3.25-3.75% depending on the lender

Ongoing Lock/Float Considerations

- 2019 has been the best year for mortgage rates since 2011. Big, long-lasting improvements such as this one are increasingly susceptible to bounces/corrections
- Fed policy and the US/China trade war have been key players. Major updates on either front could cause a volatile reaction in rates
- The Fed and the bond market (which dictates rates) will be watching economic data closely, both at home and abroad, as well as trade war updates. 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.*

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