



Matthew Hibler's Monday Mortgage Update

CHERRY CREEK
MORTGAGE COMPANY

BUILT WITH TRUST

**Week of
June 18,
2018**

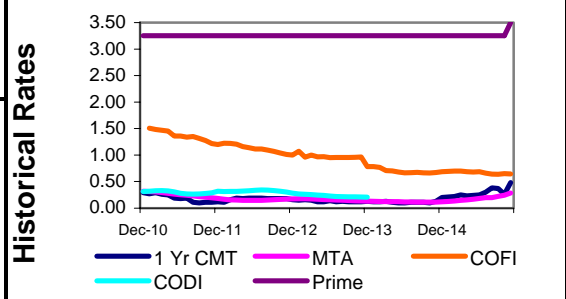
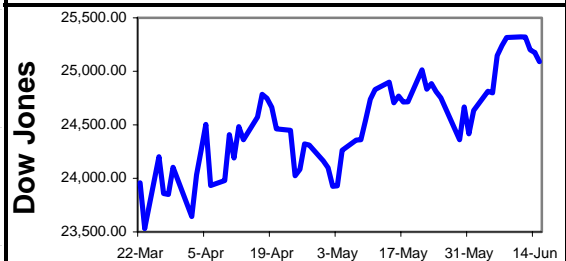
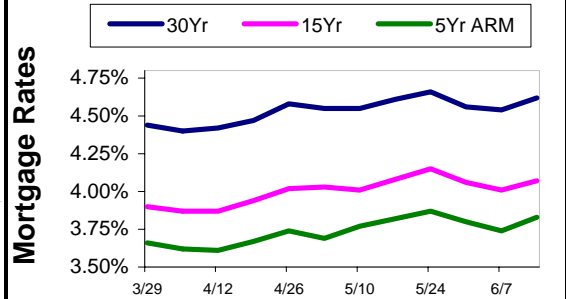
**Mortgage
Market
Commentary**

Mortgage rate moved higher with Fed changes and a big boost from Retail Sales. While the increase in the Fed's interest rate was expected, a couple of other changes were the real market movers. Part of the Fed's policy statement known as "forward guidance," was removed and new Fed Chair Powell announced that rather than quarterly press conferences, he would be holding those discussions after every Fed meeting. Markets are interpreting this to mean that the Fed may be more likely to change rates without signaling the change in advance. Retail Sales posted a substantial 0.8% increase, blowing past analysts' expectations. However, Industrial Production moved backward by 0.1%.

With less economic news to digest next week, we could see rates wobbling around. While the US economy appears to be on solid footing, other economies are struggling. This may push money into bonds and hold rates low. We could see rates trending downward if the rhetoric and announcements of tariffs and retaliatory tariffs continue to press the US toward trade wars with multiple countries.

This Week's Top Economic Reports and Events

<u>Report/Event</u>	<u>Date</u>	<u>Prior</u>	<u>Est</u>	<u>Impact</u>
NAHM Housing Market Index	6/18	70	70	Limited
While the market might bear more homes, builders seem to be very happy continuing to see healthy profits and solid sales of new homes.				
Housing Starts	6/19	1.29M	1.32M	Limited
Even being happy, builders aren't rapidly accelerating their rate of pulling permits. A small uptick here keeps upward pressure on rates.				
Existing Home Sales	6/20	5.46M	5.55M	Limited
Inventory continues to be the challenge. However, with higher rates, we might see fewer sales and some downward pressure on rates developing.				
Weekly Jobless Claims	6/21	218K	220K	Moderate
Continuing at record low levels, another week of claims below 225K will provide some additional upward pressure on all interest rates.				
Leading Economic Indicators	6/21	0.4%	0.4%	Limited
Continuing to show an economy pressing ahead at a reasonable pace, another 0.4% or higher LEI will help keep upward pressure on rates.				



Mortgage Rate Trends

Short-Term →→

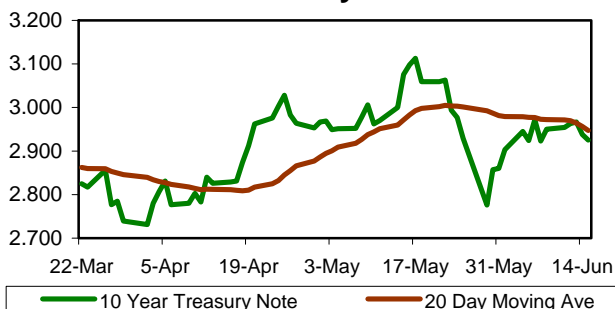
Long-Term →→

Volatility **High**

Interest Rates and Indexes

1 Yr T-Bill	2.310%	11th D. COFI	0.895%
10 Yr T-Note	2.940%	COSI	0.340%
6 Month Libor	2.503%	CODI	0.229%
Prime Rate	5.000%	MTA	1.653%

10 Year Treasury Note Trend



Cherry Creek Mortgage

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