



# Matthew Hibler's Monday Mortgage Update

**CHERRY CREEK**  
MORTGAGE COMPANY

BUILT WITH TRUST

**Week of  
Dec. 11,  
2017**

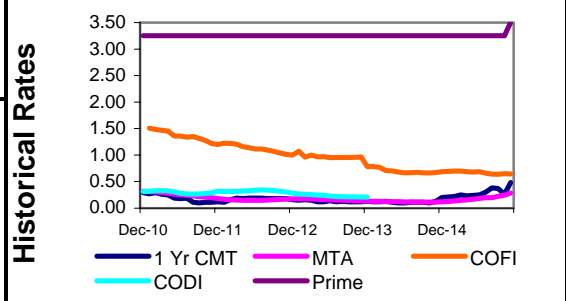
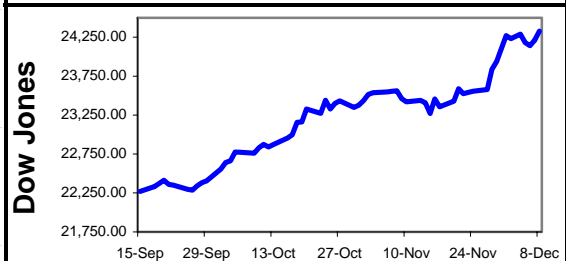
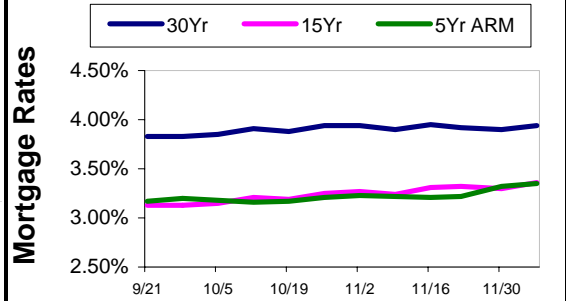
**Mortgage  
Market  
Commentary**

Mortgage rates began moving higher, as last week ended. Employment data for November revealed another 228,000 jobs gained with unemployment remaining steady. The economy seems poised to continue growing and appears to be picking up more steam. Currently, we are experiencing the third longest economic expansion since 1945, with a real possibility of continued growth.

This week features a number of important economic data points and a meeting of the Fed. Rates are expected to be increased by a quarter point, but markets have already baked in this increase. The real news from the meeting could be changes to Fed members' economic forecasts. The stronger that they see next year's economy, the more likely we are to see rates trending upward. Retail Sales, Industrial Production along with the PPI and CPI reports are also due. With recent occasional flares of inflation, a larger-than-expected increase in the CPI would also press rates higher. However, if Sales and IP data come in short, then much of the upward pressure would unwind as the week ends.

### This Week's Top Economic Reports and Events

<u>Report/Event</u>	<u>Date</u>	<u>Prior</u>	<u>Est.</u>	<u>Impact</u>
<b>Producer Price Index (core)</b>	12/12	0.4%	0.2%	<b>Moderate</b>
Another core reading that doubles expectations would very likely generate some upward pressure on all interest rates, as the week starts.				
<b>Consumer Price Index (core)</b>	12/13	0.2%	0.2%	<b>Significant</b>
With concerns about inflation beginning to grow, a 0.0% reading would be a surprise, but would help temper any increases in mortgage rates.				
<b>FOMC Policy Announcement</b>	12/13			<b>Significant</b>
The Fed could stun the market by increasing rates by 0.5%, and mortgage rates would almost certainly make a small step upward in response.				
<b>Retail Sales</b>	12/14	0.2%	0.3%	<b>Significant</b>
As we head into the holiday season, a decrease, instead of an increase, in Sales would very likely create some strong downward pressure on rates.				
<b>Industrial Production</b>	12/15	0.9%	0.3%	<b>Significant</b>
After last month's strong showing, a second unexpected reading near 1.0% would help create more upward pressure on all interest rates.				



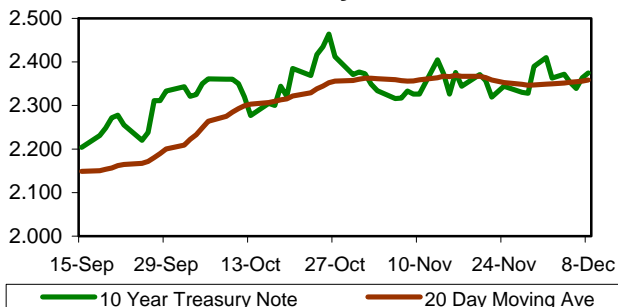
**Mortgage Rate Trends**

Short-Term →→  
Long-Term →→  
Volatility **High**

**Interest Rates and Indexes**

1 Yr T-Bill	1.620%	11th D. COFI	0.737%
10 Yr T-Note	2.360%	COSI	0.280%
6 Month Libor	1.723%	CODI	0.229%
Prime Rate	4.250%	MTA	1.132%

### 10 Year Treasury Note Trend



### Cherry Creek Mortgage

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