



Bankrate: Mortgage Rates Show Little Change

NEW YORK – August 25, 2016 – Mortgage rates posted only slight changes this week, with the benchmark 30-year fixed mortgage rate inching to 3.57 percent, according to Bankrate.com's weekly national survey. The 30-year fixed mortgage has an average of 0.25 discount and origination points.

The larger jumbo 30-year fixed dipped to 3.57 percent, while the average 15-year fixed mortgage rate moved up to 2.87 percent. Adjustable mortgage rates were slightly changed, with the 5-year ARM nosing higher to 3.07 percent and the 7-year ARM slipping down to 3.22 percent.

The uncommon quiet in financial markets fits the backdrop of the lazy days of summer, with barely any movement to speak of. This translates into mortgage rates as well, which are closely related to yields on government bonds. With financial markets in a summertime snooze, both bond yields and mortgage rates have been little changed in recent weeks. The benchmark 30-year fixed mortgage rate has moved a grand total of one-one hundredth of a percentage point since the beginning of the month. There has been slightly more movement on the larger jumbo mortgage, which reached a new record low this week of 3.57 percent. Fed Chairwoman Janet Yellen is giving a highly anticipated speech in Jackson Hole, Wyoming this Friday. Her appearance begs the question as to whether she will jolt financial markets awake with sharp words about a potential September rate hike, or tiptoe around so as not to disturb the summer slumber by noting the mixed economic signals and divided opinions within the Fed. We shall see.

At the current average 30-year fixed mortgage rate of 3.56 percent, the monthly payment for a \$200,000 loan is \$905.92.

SURVEY RESULTS

30-year fixed: 3.57% -- up from 3.56% last week (avg. points: 0.25)

15-year fixed: 2.87% -- up from 2.84% last week (avg. points: 0.18)

5/1 ARM: 3.07% -- up from 3.05% last week (avg. points: 0.30)

Bankrate's national weekly mortgage survey is conducted each Wednesday from data provided by the top 10 banks and thrifts in 10 top markets.

For a full analysis of this week's move in mortgage rates, go to <http://www.bankrate.com/finance/mortgages/mortgage-analysis-082416.aspx>

The survey is complemented by Bankrate's weekly Rate Trend Index, in which a panel of mortgage experts predicts which way the rates are headed over the next seven days.

One-quarter of the panelists believe mortgage rates will rise over the next week or so and three-quarters believe rates will remain relatively unchanged. Interestingly, none of the experts expect rates to fall over the next seven days.

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