



Bankrate: Mortgage Rates Slip Lower

NEW YORK – Mar. 24, 2016 – Mortgage rates declined modestly this week breaking a three-week string of increases, with the benchmark 30-year fixed mortgage rate slipping to 3.90 percent, according to Bankrate.com's weekly national survey. The 30-year fixed mortgage has an average of 0.17 discount and origination points.

The larger jumbo 30-year fixed dipped to 3.81 percent, and the average 15-year fixed mortgage retreated to 3.13 percent. Adjustable mortgage rates were on the downswing also, with the 5-year ARM sinking to 3.36 percent and the 7-year ARM dropping to 3.52 percent.

Mortgage rates broke a streak of three consecutive weekly increases, retracing part of the previous week's move. Bond yields and mortgage rates dipped in the days following the Federal Open Market Committee meeting, where the Fed was more dovish than expected given the low level of unemployment and uptick in inflation rates. With the FOMC ratcheting back their expectations of four interest rate hikes this year to two interest rate hikes, there was a modest recalibration of bond yields which helped bring mortgage rates down. Mortgage rates are closely related to the yields on long-term government bonds.

At the current average 30-year fixed mortgage rate of 3.90 percent, the monthly payment for a \$200,000 loan is \$943.34.

SURVEY RESULTS

30-year fixed: 3.90% -- down from 3.93% last week (avg. points: 0.17)

15-year fixed: 3.13% -- down from 3.17% last week (avg. points: 0.13)

5/1 ARM: 3.36% -- down from 3.43% last week (avg. points: 0.18)

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-032416.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. The majority of panelists – 58 percent – predict that mortgage rates will remain more or less unchanged in the coming week. Among other participants, 25 percent forecast an increase and just 17 percent expect mortgage rates to keep falling.

About Bankrate.com

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