



Bankrate: Mortgage Rates in Summer Doldrums

NEW YORK – Sept. 1, 2016 – Mortgage rates were little changed as August came to a close, with the benchmark 30-year fixed mortgage rate holding at 3.57 percent, according to Bankrate.com's weekly national survey. The 30-year fixed mortgage has an average of 0.23 discount and origination points.

The larger jumbo 30-year fixed maintained last week's record low level of 3.57 percent, while the average 15-year fixed mortgage rate was down a hair to 2.86 percent. Adjustable mortgage rates were up slightly, with the 5-year ARM nudging higher to 3.09 percent and the 7-year ARM climbing back to 3.26 percent.

Mortgage rates spent the month of August doing what many people like to do in the lazy days of summer – nothing. The benchmark 30-year fixed rate mortgage moved a scant one-one hundredth of a percentage point during the entire month. Not only has trading volume in financial markets been extremely low, but even an anticipated speech by Fed Chair Janet Yellen elicited little more than a shrug in markets. While Yellen said the case for an interest rate hike had grown, she provided little clarity as to whether that would come later in September. It was Fed Vice Chairman Stanley Fischer who stated that two interest rate hikes by year-end were still a possibility, which suggests a September increase might yet materialize. With an ambiguous timetable from the Fed, mortgage rates were little changed, if at all.

At the current average 30-year fixed mortgage rate of 3.57 percent, the monthly payment for a \$200,000 loan is \$905.92.

SURVEY RESULTS

30-year fixed: 3.57% -- unchanged from last week (avg. points: 0.23)

15-year fixed: 2.86% -- down from 2.87% last week (avg. points: 0.21)

5/1 ARM: 3.09% -- up from 3.07% last week (avg. points: 0.27)

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-083116.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 lion's share – 87 percent – expect mortgage rates will remain more or less unchanged over the next

week, while 13 percent forecast an increase. Interestingly, none of this week's respondents predicts a decline in mortgage rates over the next seven days.

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