



Bankrate: Mortgage Rates Highest Since Early January

NEW YORK – November 23, 2016 – Mortgage rates increased for the fourth consecutive week and the 7th time in the past 8 weeks, with the benchmark 30-year fixed mortgage rate rising to 4.10 percent, according to Bankrate.com's weekly national survey. The 30-year fixed mortgage has an average of 0.22 discount and origination points.

The larger jumbo 30-year fixed climbed to 4.08 percent, while the average 15-year fixed mortgage rate jumped to 3.33 percent. Adjustable mortgage rates were mostly higher, with the 5-year ARM rising modestly to 3.44 percent while the 7-year ARM slipped to 3.60 percent.

Mortgage rates continued to climb over the past week following the ongoing spike in long-term government bond yields, rising to the highest level since January 6th. Benchmark 10-year Treasury yields have increased nearly one-half percentage point since Election Day on speculation that we'll see more government borrowing, higher inflation, and higher interest rates due to the policies of the Trump administration. Mortgage rates are closely related to yields on long-term government bonds. Of course the entire run-up in bond yields and mortgage rates in the past two weeks has been based purely on speculation rather than any specific policy announcements. There is every possibility that the increase has been overdone and that if reality fails to meet the expectations that have been priced into markets, bond yields and mortgage rates could pull back.

At the current average 30-year fixed mortgage rate of 4.10 percent, the monthly payment for a \$200,000 loan is \$966.40.

SURVEY RESULTS

30-year fixed: 4.10% -- up from 4.01% last week (avg. points: 0.22)

15-year fixed: 3.33% -- up from 3.21% last week (avg. points: 0.21)

5/1 ARM: 3.44% -- up from 3.39% last week (avg. points: 0.35)

Bankrate's national weekly mortgage survey is conducted each Wednesday from data provided by the top 10 banks and thrifts in 10 top markets. This week's survey was conducted on Tuesday due to the holiday-shortened Thanksgiving week.

For a full analysis of this week's move in mortgage rates, go to <http://www.bankrate.com/finance/mortgages/mortgage-analysis-112216.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 panelists

are equally split with one-third each predicting an increase, a decrease, or no change in mortgage rates over the next seven days.

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