Bankrate: Mortgage Rates Hit 7-Month Low

NEW YORK – June 8, 2017 – Mortgage rates continued their decline this week hitting a new 7-month low, according to Bankrate.com’s weekly national survey. The average 30-year fixed mortgage has a rate of 4.04 percent, the lowest since November 16, 2016, and an average of 0.24 discount and origination points.

The larger jumbo 30-year fixed dipped to 3.99 percent, and the average 15-year fixed mortgage rate dropped to 3.24 percent. Adjustable mortgage rates were also lower this week, with the 5-year ARM inching down to 3.40 percent and the 7-year ARM sliding to 3.56 percent.

Mortgage rates fell to their lowest level since the middle of November, possibly heralding a modest increase in refinancing over the coming weeks. Rates on home loans have been falling since mid-May. This week’s decline can be traced to the disappointing employment report for May. The economy created fewer jobs than expected and wage gains were anemic. Although the Federal Reserve is expected to raise short-term interest rates next week, it doesn't necessarily mean that long-term interest rates for mortgages move in the same direction.

At the current average 30-year fixed mortgage rate of 4.09 percent, the monthly payment for a $200,000 loan is $959.45.

SURVEY RESULTS

30-year fixed: 4.04% -- down from 4.09% last week (avg. points: 0.24)

15-year fixed: 3.24% -- down from 3.31% last week (avg. points: 0.21)

5/1 ARM: 3.40% -- down from 3.41% last week (avg. points: 0.31)

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-060717.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 mixed this week with 44.5 percent expecting the decline in mortgage rates to continue over the next week and 44.5 percent predicting that rates will remain more or
less unchanged. Only 11 percent of the experts expect rates to rise over the next seven days.

About Bankrate.com:

Bankrate.com provides consumers with the expert advice and tools needed to succeed throughout life’s financial journey. For over two decades, Bankrate.com has been a leading personal finance destination. The company offers award-winning editorial content, competitive rate information, and calculators and tools across multiple categories, including mortgages, deposits, credit cards, retirement, automobile loans, and taxes. Bankrate aggregates rate information from over 4,800 institutions on more than 300 financial products. With coverage of over 600 local markets, Bankrate generates rate tables in all 50 U.S. states. Bankrate develops and provides web services to more than 100 cobranded websites with online partners, including some of the most trusted and frequently visited personal finance sites on the internet, such as Comcast, Yahoo!, CNBC and Bloomberg. In addition, Bankrate licenses editorial content to more than 500 newspapers on a daily basis including The Wall Street Journal, USA Today, The New York Times and The Los Angeles Times.

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