

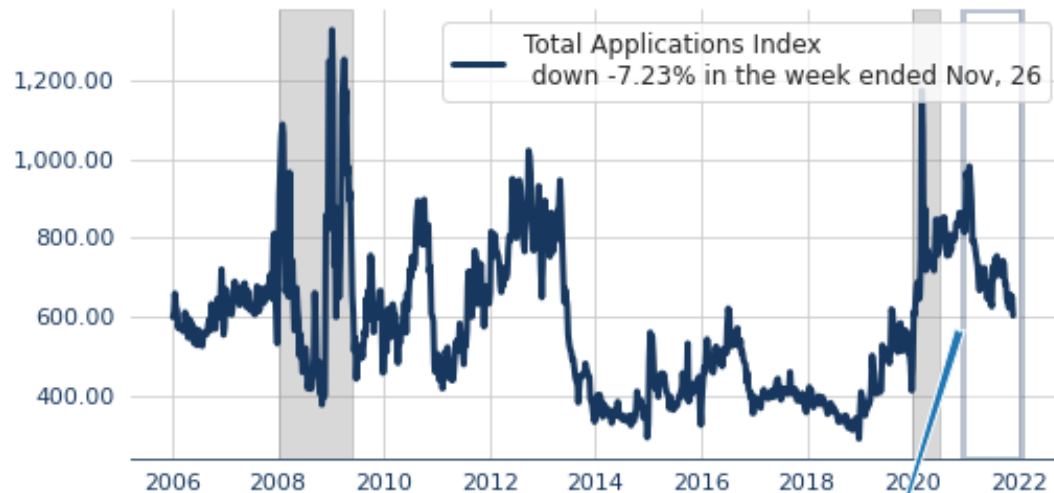
01.Dec.2021

Mortgage Apps: Sharp Decline Amid Thanksgiving Holiday

Bottom Line: As mortgage rates rose modestly, mortgage applications fell sharply, primarily due to the Thanksgiving holiday and difficult seasonal adjustments.

Refinancing applications were down sharply but seasonally adjusted the purchase index was higher, confirming the broader trend we've seen over the last few months. While refi activity has fallen sharply, housing activity remains robust, with purchase activity trending higher again after a slow summer. In conjunction with other data points from the housing market, these data confirm housing activity remains robust and has rebounded after a modest correction in the late spring and early summer.

Total Applications Index



Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg



The MBA Mortgage Application Index FELL sharply, DOWN -7.2% to 604.0, BELOW the 13-week average of 671.0 and -29.6% BELOW the year-ago level. Non-seasonally adjusted the index FELL sharply, DOWN -36.7%.

The Purchase Index ROSE sharply, UP 5.1% to 311.0, ABOVE the 13-week average of 280.0 but -9.4% BELOW the year-ago level.

The Refinancing Index FELL sharply, DOWN -14.8% to 2304.0, BELOW the 13-week average of 2927.0 and -40.8% BELOW the year-ago level.

The effective (adjusted for points paid) 30-year mortgage rate ROSE sharply, UP 8bps to 3.43%, ABOVE the 13-week average of 3.27% and 14bps ABOVE the year-ago level.

Current coupon yields in the secondary market were down -2.0 bps last week , closing at 2.01%, and were little changed this week through Tuesday.

Purchase Index



Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg

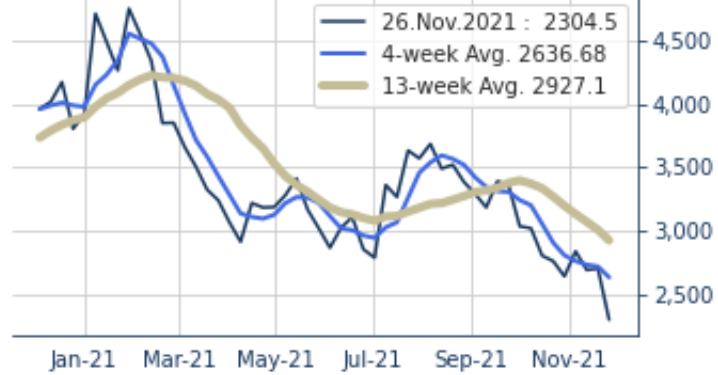


Refinance Index



Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg

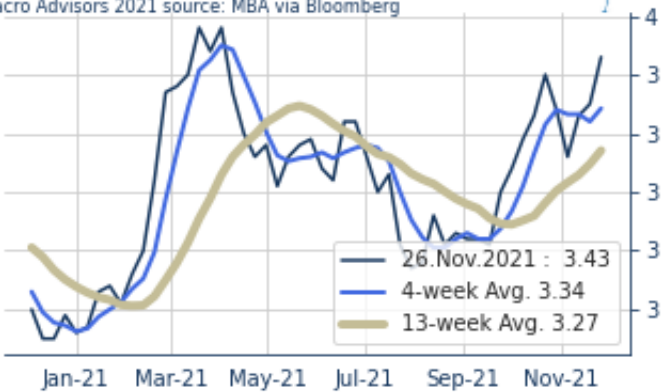


MBA 30-yr Fixed Mortgage Effective Rate

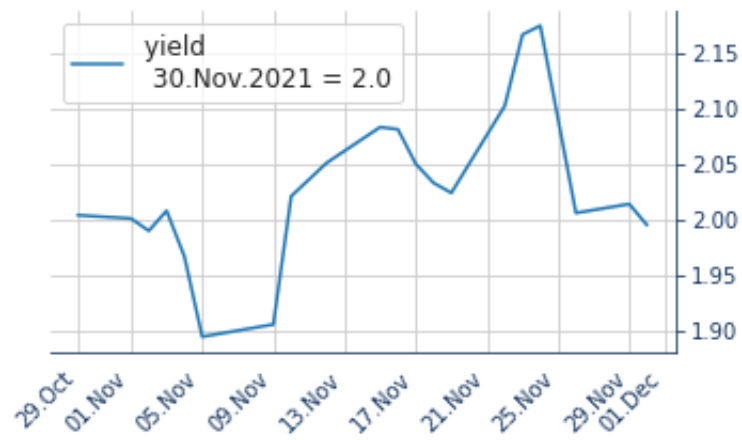


Recent Trends

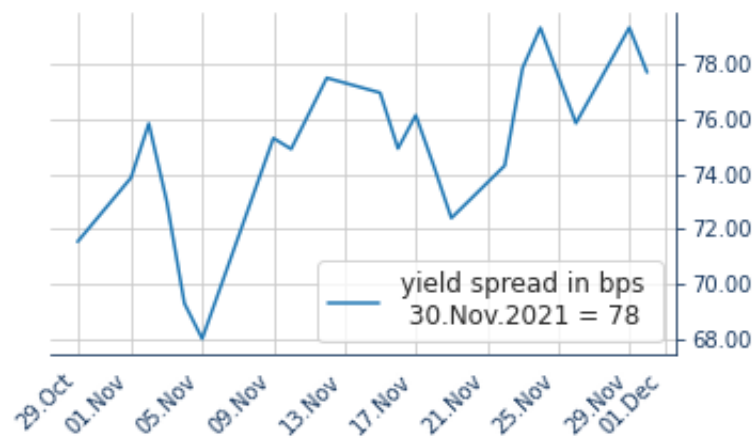
Contingent Macro Advisors 2021 source: MBA via Bloomberg



MBS Current Coupon Yield



MBS Current Coupon spread to Blend of Treasury Yields



Mortgage Rates

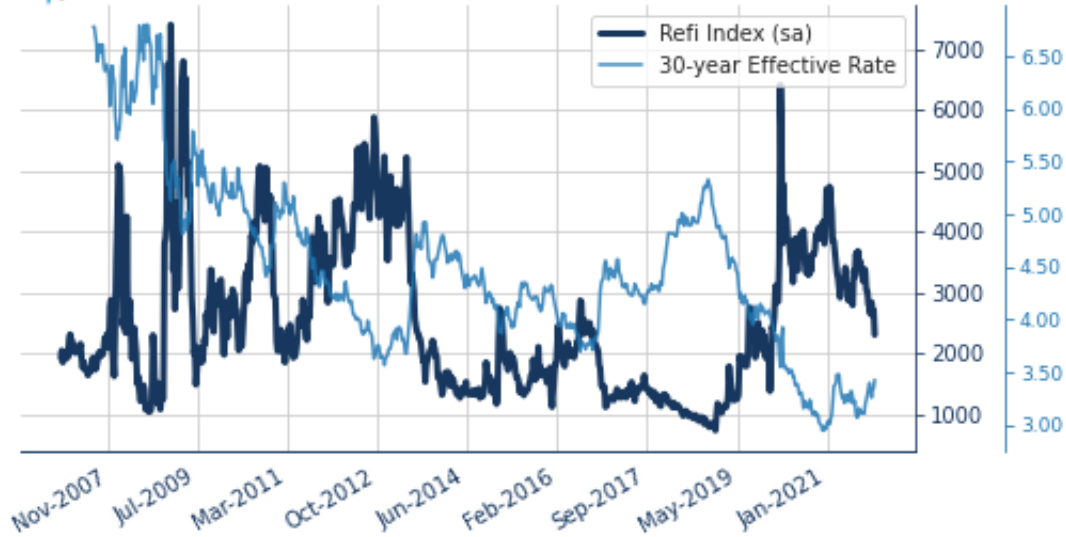




Purchase Index vs. Existing Home Sales



Refi Index vs. Mortgage Rate



Weekly MBA Mortgage Application Survey	26.Nov	19.Nov	12.Nov	05.Nov	MTD Avg	Prior Mo. Avg.	13wk. Avg.	52wk. Avg.
Total Applications Index	604.20	651.30	639.90	658.10	638.38	656.50	671.32	742.12
Week % Chg	-7.20	1.80	-2.80	5.50				
Total Apps NSA % Chg.	-36.71	0.10	-4.14	4.61				
Purchase Index	310.70	295.70	282.50	278.40	291.82	273.68	279.72	284.08
Purch. Idx - % Chg.	5.07	4.67	1.47	2.69				
Refinance Index	2304.50	2706.20	2695.00	2841.00	2636.68	2855.46	2927.10	3412.74
Refi. Idx - % Chg.	-14.84	0.42	-5.14	7.41				

Ref % Tot	59.40	63.10	62.90	63.50	62.23	63.16	63.77	65.36
MBA 30-yr Fixed Mortgage Effective Rate	3.43	3.35	3.33	3.26	3.34	3.32	3.27	3.21
MBA 30-yr Fixed Points	0.43	0.36	0.43	0.34	0.39	0.35	0.35	0.36
MBA 15-yr Fixed Mortgage Contract Rate	2.63	2.59	2.56	2.52	2.58	2.53	2.49	2.51
MBA 15-yr Fixed Mortgage Effective Rate	2.63	2.59	2.56	2.52	2.58	2.53	2.49	2.51
MBA 15-yr Fixed Points	0.31	0.34	0.36	0.33	0.34	0.29	0.30	0.31
MBA 5-yr ARM Effective Rate	2.48	3.00	2.89	2.82	2.80	2.90	2.78	2.75

source: Mortgage Banker Association via Bloomberg Professional