

MORTGAGE MARKET IN REVIEW



HOMETOWN AMERICA INCORPORATED

Jack Brady

Hometown America Incorporated
800 Bonaventure Way Suite 150
Sugar Land, TX 77479
Phone: (281) 265-4663
Fax: (281) 313-5626
Cell Phone: (832) 746-5626

E-Mail: jack@hometown.cc

Website: <http://www.hometown.cc>

Market Comment

Mortgage bond prices finished the week lower which put upward pressure on rates. Stocks saw continued whipsaw trading and tariffs dominated headlines. Tame consumer and producer inflation readings tempered some of the MBS selling pressure however we still ended the week worse overall. Consumer prices rose 0.2% vs 0.3%. The core rose 0.2% vs 0.3%. YOY Core CPI was up 3.1% vs 3.3%. Producer prices were unchanged vs up 0.3%. The core was down 0.1% vs up 0.3%. The rest of the data was mixed. Weekly jobless claims were 220K vs 225K. Consumer sentiment was 57.9 vs 63.1. Mortgage interest rates finished the week worse by approximately 3/8 to 1/2 of a discount point.

LOOKING AHEAD

Economic Indicator	Release Date & Time	Consensus Estimate	Analysis
Retail Sales	Monday, March 17, 8:30 am, et	Up 0.7%	Important. A measure of consumer demand. Weakness may lead to lower mortgage rates.
NAHB Housing Index	Monday, March 17, 10:00 am, et	43	Moderately Important. A measure of single-family housing. Weakness may lead to lower mortgage rates.
Housing Starts	Tuesday, March 18, 8:30 am, et	1.375M	Important. A measure of housing sector strength. Weakness may lead to lower rates.
Industrial Production	Tuesday, March 18, 9:15 am, et	Up 0.2%	Important. A measure of manufacturing sector strength. Weakness may lead to lower rates.
Capacity Utilization	Tuesday, March 18,	77.8%	Important. A figure above 85% is viewed

	9:15 am, et		as inflationary. Weakness may lead to lower rates.
Fed Meeting Adjourns	Wednesday, March 19, 2:15 pm, et	No rate changes	Important. Few expect the Fed to change rates, but some volatility may surround the adjournment of this meeting.
Philadelphia Fed Survey	Thursday, March 20, 10:00 am, et	12.1	Moderately important. A survey of business conditions in the Northeast. Weakness may lead to lower rates.
Leading Economic Indicators	Thursday, March 20, 10:00 am, et	Down 0.2%	Important. An indication of future economic activity. Weaker figure may lead to lower rates.

Fed

The Federal Reserve meets this week, and the stakes are very high considering all the recent volatility. With the U.S. economy navigating a complex landscape of persistent inflation, labor market shifts, and global uncertainties, this meeting could set the tone for the remainder of the year. Economists and investors are particularly keen to see whether the Fed will maintain its current stance or signal a pivot and ease rates to stimulate growth. Recent data showing moderating consumer prices alongside robust job growth has fueled speculation, but Fed Chair Jerome Powell has consistently emphasized a data-driven approach, leaving room for surprises. All eyes are on the Fed this week as it balances its dual mandate of price stability and maximum employment.

In recent months, inflationary pressures have eased from their pandemic-era peaks, but core inflation remains stubbornly above the Fed's 2% target. Meanwhile, the labor market, though strong, has shown signs of cooling, with wage growth slowing and some sectors reporting layoffs. Current odds favor a neutral stance from the Fed however volatility is possible in response to Fed Chair Powell's post meeting press conference.

To unsubscribe, please hit "reply" and include unsubscribe in the subject line.

Copyright 2025. All Rights Reserved. Mortgage Market Information Services, Inc. www.ratelink.com The information contained herein is believed to be accurate, however no representation or warranties are written or implied.

