

## Bankrate: Mortgage Rates Post Mixed Results

NEW YORK, Aug 13, 2009 /PRNewswire-FirstCall via COMTEX News Network/ -- The average 30-year fixed mortgage rate inched higher to 5.67 percent this week, according to Bankrate.com's weekly national survey. The average 30-year fixed mortgage has an average of 0.36 discount and origination points.

(Logo: <http://www.newscom.com/cgi-bin/prnh/20040122/FLTHLOGO> )

The average 15-year fixed rate mortgage fell to 4.93 percent, while the average jumbo 30-year fixed rate plunged to 6.45 percent. Adjustable rate mortgages were lower, with the average 1-year ARM dipping to 5.19 percent and the 5-year ARM dropping to 4.93 percent.

Mortgage rates have been in a narrow range for nearly two months, even as the economy has shown improvement. With the Federal Reserve beginning to wean the markets from its repurchases of Treasury debt, there will be less to restrain mortgage rates if the economic data continues to improve. Should the economic recovery stumble, as it most likely will at some point, mortgage rates will pull back. Historically, bond yields and mortgage rates have shown very little movement over long periods of time that are punctuated by sharp movement in a very short period of time. Mortgage rates are closely related to yields on long-term government bonds. The pattern is likely to play out once again, but it remains unclear whether the next big move is up or down.

Mortgage rates remain much lower than one year ago. This time last year, the average 30-year fixed mortgage rate was 6.74 percent, meaning a \$200,000 loan would have carried a monthly payment of \$1,295.87. With the average rate now 5.67 percent, the monthly payment for the same size loan would be \$1,157.00, a savings of \$139 per month for a homeowner refinancing now.

### SURVEY RESULTS

30-year fixed: 5.67% -- up from 5.65% last week (avg. points: 0.36)  
15-year fixed: 4.93% -- down from 4.97% last week (avg. points: 0.39)  
5/1 ARM: 4.93% -- down from 5.03% last week (avg. points: 0.43)

Bankrate's national weekly mortgage survey is conducted each Wednesday from data provided by the top 10 banks and thrifts in the top 10 markets.

For a full analysis of this week's move in mortgage rates, go to <http://www.bankrate.com/mortgagerates>

The survey is complemented by Bankrate's weekly forward-looking Rate Trend Index, in which a panel of mortgage experts predicts which way the rates are headed over the next 30 to 45 days. The only consensus is that rates probably aren't headed higher right away, with just 23 percent forecasting an increase. The majority of panelists are almost evenly split, with 38 percent predicting a decrease in rates and 39 percent expecting mortgage rates to remain more or less unchanged in the next 30 to 45 days.

For the full mortgage Rate Trend Index, go to <http://www.bankrate.com/RTI>

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