

Scott Munds
, Market Sales Leader
NMLS #OR 272506
3 Centerpointe Dr Lake Oswego, OR 97035

Office: (503) 969-9929
Mobile: (503) 969-9929
scottmundsmortgage@gmail.com
View My Website

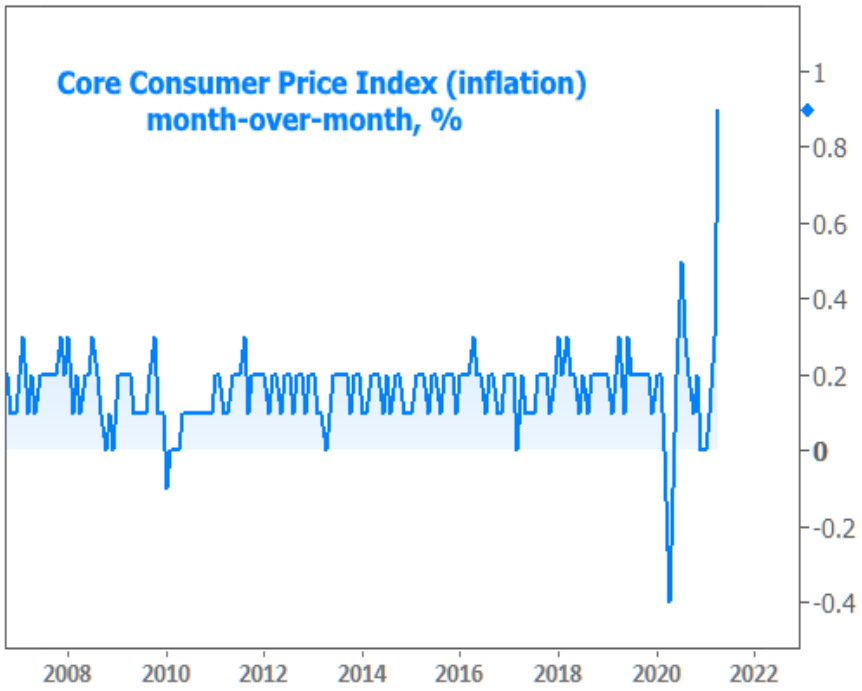
Big Inflation Scare, But Rates Remain Resilient

The 70's and 80's brought unforgettable economic lessons about inflation. Since then, certain market participants have been watching inflation like **hawks**, even when they didn't need to.

After the start of the pandemic, the massive amount of fiscal stimulus (covid relief bill) and monetary accommodation from the Fed (bond buying and rate cuts) had inflation hawks on **high alert**. Fed speakers have been consistent in their response: **yes**, inflation was likely to spike this spring for a variety of reasons, but it wouldn't necessarily be evidence of a sustainable shift.

Inflation can be measured in a few ways, but the most basic and most popular is via price indices published by the government. The **Consumer Price Index (CPI)** is one of the two dominant forces in that regard and this week brought a fresh update for the month of April.

While analysts agreed with the Fed's inflation warning, this week's **actual** CPI data eclipsed even the **most aggressive** forecasts, both in monthly and annual terms.



National Average Mortgage Rates



Mortgage News Daily	Rate	Change	Points
30YR Fixed	7.29%	-0.06	0.00
15YR Fixed	6.95%	-0.05	0.00
30YR FHA	6.91%	-0.08	0.00
30YR Jumbo	7.55%	-0.05	0.00
7/6 SOFR	6.88%	+0.02	0.00
30YR VA	6.92%	-0.08	0.00

Rates as of: 10/29

MBS and Treasury

	Price / Yield	Change
MBS UMBS 6.0	99.86	+0.02
10 YR Treasury	4.9351	+0.0136
30 YR Treasury	5.3404	-0.0049

Pricing as of: 10/29 8:06PM EST

Recent Housing Data

		Value	Change
Mortgage Apps	Oct 14	188.6	-5.32%
Building Permits	Sep	1.4M	+0.43%
Housing Starts	Sep	1.22M	-4.24%
New Home Sales	Aug	684K	+12.69%
Pending Home Sales	Aug	71.2	0%
Existing Home Sales	Oct	3.99M	+0.25%
Builder Confidence	Oct	29	-9.38%

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://housingmarketweekly.com/scottmunds



What's so bad about inflation though? After all, hasn't the Fed said they want inflation to remain a bit higher relative to their typical target?

Yes, the Fed is actually **trying** to keep inflation higher than normal because they argue it will foster a stronger economic recovery for a wider slice of society. Regardless of one's opinion on that complicated topic, everyone agrees that **"too much"** inflation is a **bad** thing.

One of the most relevant negative impacts of high inflation on the mortgage/housing market is that it puts upward pressure on rates.

Here's a **quick explainer** as to why:

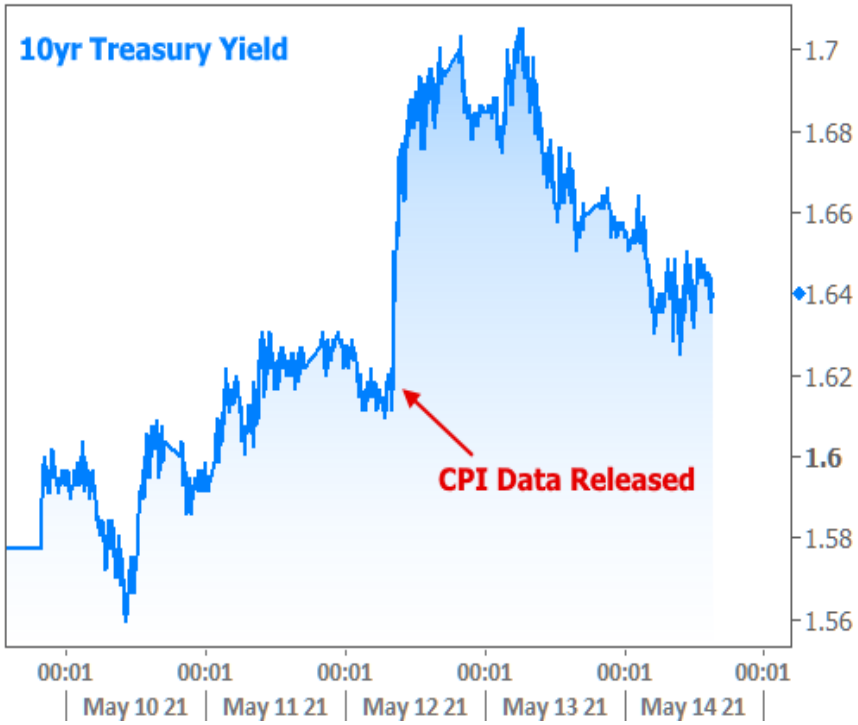
> Mortgage rates are primarily determined by trading in the bond market. Investors who buy bonds earn returns by collecting payments over time based on terms agreed to upfront. Inflation robs those payments of future purchasing power (I'm giving you $100/month for 30 years, but what if a pack of gum costs $100 in 30 years?). As such, if investors expect higher inflation, they adjust by charging higher rates today.

That scenario played out immediately in the bond market on Wednesday with 10yr Treasury yields spiking **abruptly** in the wake of the inflation report.

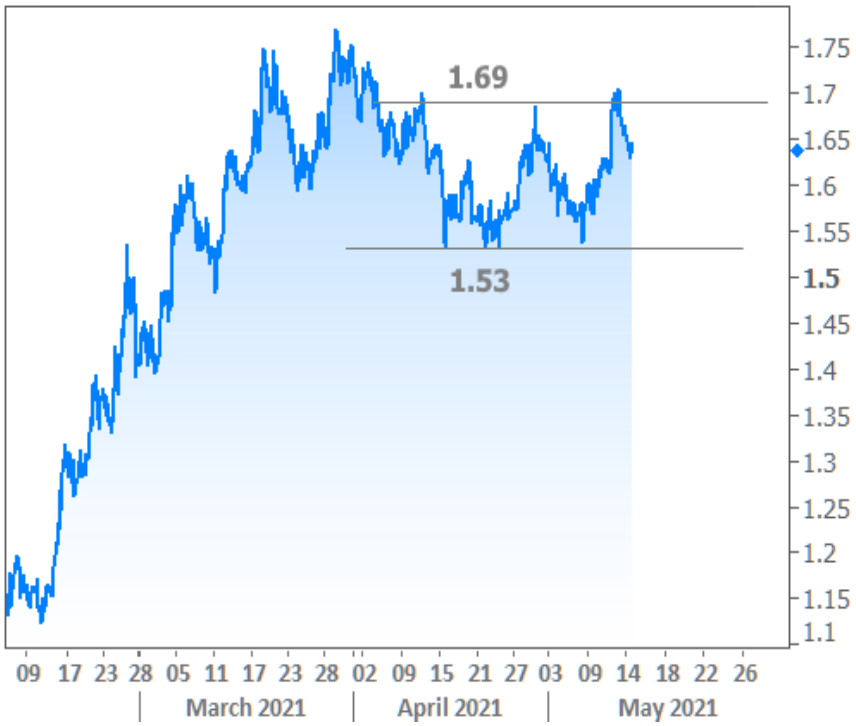
© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://housingmarketweekly.com/scottmunds



That looks fairly dramatic on the 5-day chart, but in the bigger picture, the bond market arguably took the inflation surprise **in stride.**



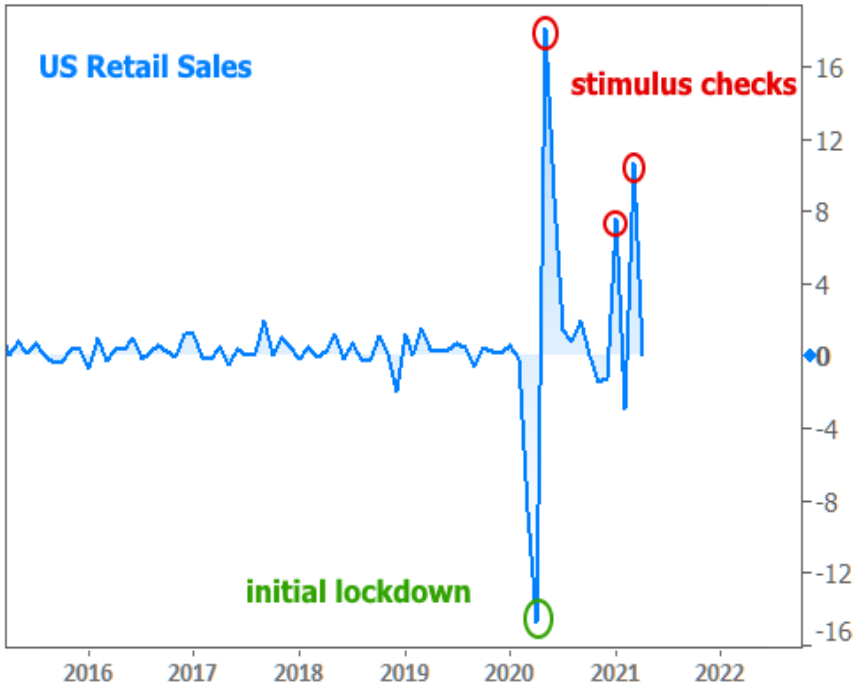
The 2nd half of the week was spent recovering back into the prevailing range with a weak Retail Sales report doing nothing to stand in the way. We'll stop short of giving the data credit for the rate recovery simply because this series remains exceptionally volatile. No one wants to read too much into another **"rebound month"** following last month's stimulus check effect.

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

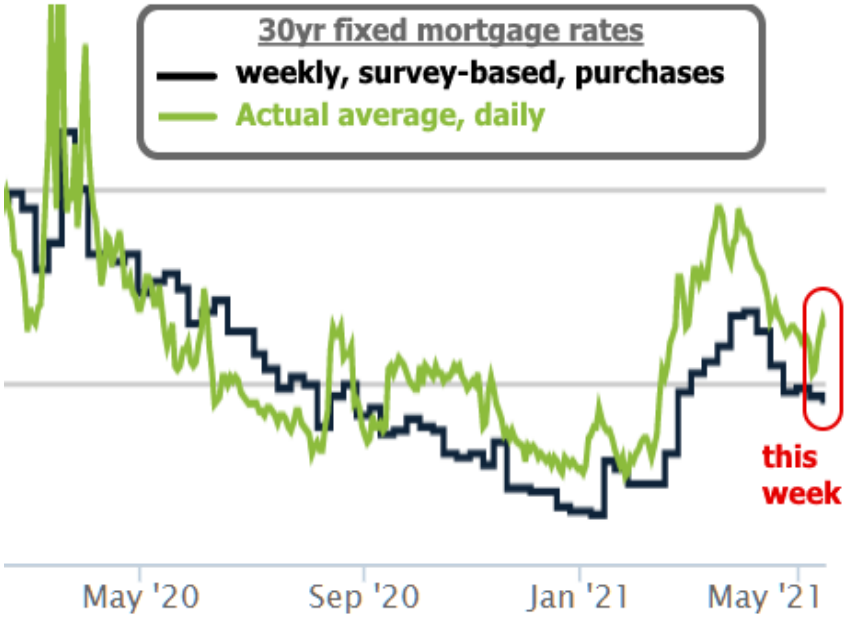
The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://housingmarketweekly.com/scottmunds

US Housing Market Weekly



Mortgage rates were logically **higher** on the week, even if multiple headlines suggested they were **lower**. Those headlines almost certainly cite Freddie Mac's weekly survey data. By the time the survey is released on Thursday, **it can be very stale** if rates experienced much volatility earlier in the week.



Next week brings a **slew of housing-related reports** with Builder Confidence leading off on Monday. Residential construction numbers follow on Tuesday and the important Existing Home Sales report will be released on Friday. Analysts expect the housing data to hold fairly steady with last month's levels.

Subscribe to my newsletter online at: http://housingmarketweekly.com/scottmunds

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://housingmarketweekly.com/scottmunds

“We exist to make a difference in people’s lives by providing the right mortgage products."

Scott is the Portland Mortgage Coach, an Ideas Machine, a Revolutionist and a Rock N' Roller!

Ask me about my ** Hero-Homebuyer ** program that helps Veterans, First Responders, Healthcare Workers (HCW), Volunteers and Teachers!!

With over 25 years in the Mortgage Industry. Scott Munds is #1 a family man. Married over 30 years to his lovely wife Susie with four amazing children all living in the Portland Metro area. He enjoys spending time in the community serving with the Community Action group and the Blanchet House. Scott has a serving heart! In business, Scott is known as a straight shooter full of integrity. He is a Master in the Mortgage Loan Process with a legendary reputation in the mortgage and real estate industry. Scott has earned an extensive following of real estate agents, clients who love him, and an avant-garde mind that attracts respect inside and outside of his business.

If you are a Local Hero-Homebuyer (Classified as - A First Responder, Teacher, Veteran, Government Employee, Healthcare Worker, or Local Volunteer), then please message me to find out what loan discounts, down payment assistance, and other incentives you may have and have earned). It's time for us to serve you. Thank you for your Service! - Scott Munds

Scott Munds



© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://housingmarketweekly.com/scottmunds