



Bankrate: Mortgage Rates Dawdle Leading Up to Fed Announcement

NEW YORK – May 4, 2017 – Mortgage rates were little changed leading up to Wednesday’s Federal Reserve announcement, with the benchmark 30-year fixed mortgage rate inching lower to 4.18 percent, according to Bankrate.com’s weekly national survey. The 30-year fixed mortgage has an average of 0.22 discount and origination points.

The larger jumbo 30-year fixed was unchanged at 4.14 percent and the average 15-year fixed mortgage rate slipped to 3.39 percent. Adjustable mortgage rates were slightly lower, with the 5-year ARM dipping to 3.46 percent and the 7-year ARM retreating to 3.62 percent.

While mortgage rates were little changed in the days leading up to the Fed meeting, they are actually one quarter percentage point lower now than when the Fed hiked interest rates at their last meeting in March. Weakness in first quarter economic growth and geopolitical concerns surrounding North Korea, Syria, and an election in France all contributed to bringing mortgage rates lower. But with the Fed’s glass-half-full economic outlook, dismissing the economic sluggishness at the beginning of the year as temporary, it is evident that the Fed remains inclined to continue raising interest rates. Mortgage rates are likely to trend higher through the balance of 2017 as interest rates rise, but as we’ve seen recently, there are likely to be plenty of ups and downs as economic sentiment swings back and forth.

At the current average 30-year fixed mortgage rate of 4.18 percent, the monthly payment for a \$200,000 loan is \$975.70.

SURVEY RESULTS

30-year fixed: 4.18% -- down from 4.19% last week (avg. points: 0.22)

15-year fixed: 3.39% -- down from 3.43% last week (avg. points: 0.21)

5/1 ARM: 3.46% -- down from 3.48% last week (avg. points: 0.28)

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-050317.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 don't see much change in the coming week, with 70 percent expecting mortgage rates to remain more or less unchanged. A mere one-in-five forecast an increase and only 10 percent predict further declines in mortgage rates in the week ahead.

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.

For more information:

Kayleen Yates
Vice President, Corporate Communications
kyates@bankrate.com
(917) 368-8677