

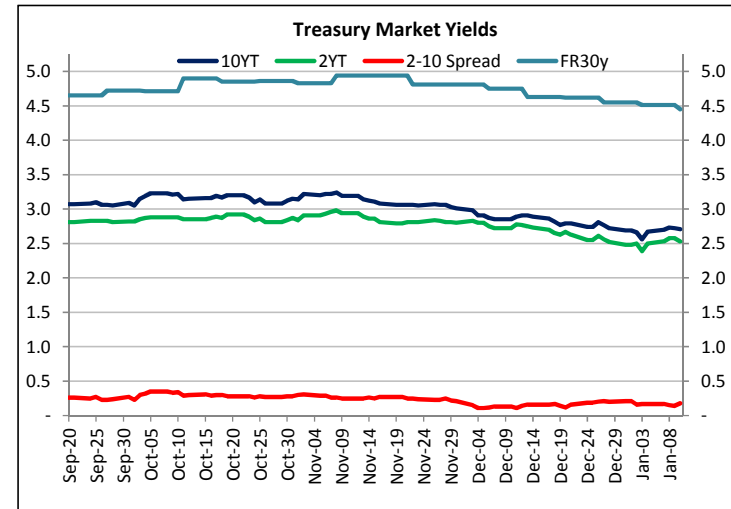
PMMS Rates	Current	1wk Ago	4wks Ago	6mths Ago	1yr Ago
30-Yr FRM	4.45	4.51	4.63	4.52	3.95
15-Yr FRM	3.89	3.99	4.07	3.99	3.38
5/1 ARM	3.83	3.98	4.04	3.74	3.45
MBA Index ¹	Current	1wk Ago	4wks Ago	6mths Ago	1yr Ago
Purchase	255.2	219.0	256.1	261.5	242.7
Refinance	987.9	729.9	851.6	958.5	1,259.2
ARM	649.0	480.5	564.5	506.2	414.2
MBA Weekly Survey Rate and Point (incl. orig fee) Averages ²					
FR30 conforming		FR30 jumbo		FR15 conforming	
4.74%	0.47 pts	4.52%	0.28 pts	4.16%	0.35 pts
Weekly Economic Data					
Data Series	Prior	Prior Revised	Current		
Nonfarm Payrolls M/M - BLS	155 K	176 K	312 K		
Job Openings and Labor Turnover Survey - BLS	7.079 M	7.131 M	6.888 M		
Oil Inventories W/W - EIA	0.0 M	0.0 M	(1.7) M		
Jobless Claims - DOL	213 K	233 K	216 K		

Sources: Moody's Analytics/Freddie Mac/MBA/Marketwatch/BLS/EIA/DOL

¹seasonally adjusted; ²for 80% LTV

- 10yT and 2yT yields increased this week driven by news of improving trade negotiations between the US and China, building confidence that a final deal may be struck in the coming weeks. The 10yT rose 13 bps to 2.71% and the 2yT increased 9 bps to 2.53%, with the 2/10 spread wider at 0.18%.
- Freddie Mac's survey rates decreased this week with the PMMS-30 and PMMS-15 down 6 bps and 10 bps to 4.45% and 3.89%, respectively. The PMMS-5 was down 15 bps to 3.83%.
- MBA mortgage application volume increased 23.5% from last week following a decline in mortgage rates, with the Purchase index up 16.5% and the Refinance index up 35.3%. The refinance share of mortgage application volume increased to 45.8% from 42.7%, while the adjustable-rate mortgage (ARM) share increased to 8.4% from 7.6% the week prior. The average size for refinance applications was \$399.8 K, a survey high.
- Last Friday's Employment Situation Report indicated total nonfarm payroll employment increased by 312 K in December, a significant increase from November's upwardly revised reading of 176 K. Employment gains were primarily driven by increased hiring in healthcare and food services which added 50 K and 41 K new jobs, respectively. The unemployment rate rose to 3.9% from a 49-year low of 3.7% the previous month, as 419 K new workers entered the workforce, driving the participation rate higher by 0.2% to 63.1%. Average hourly earnings increased 0.4% for the month, with the annual rate increasing to 3.2%.
- According to the Job Openings and Labor Turnover Survey report, available job openings were 6.888 M in November, a decrease from an upwardly revised 7.131 M in October. Despite the monthly decline in available job openings, the gap between available jobs and people actively seeking work remains wide at 870 K in November. The quits rate, which helps identify trends in workers who voluntarily leave their current job, decreased by 3.2% in November to 3.407 M.
- Minutes from the December FOMC meeting were released on Wednesday, providing insight into the Fed's decision to hike the benchmark rate in December. The minutes detailed an increasingly dovish tone at the Fed, with several members showing indecisiveness about the number of potential rate increases needed for the upcoming year. Concerns about growth and volatility in the financial markets along with global trade tensions were among the reasons for scaling back potential future increases from three to two.

Essent Weekly Economic Landscape - 1/10/19



Sources: Moody's Analytics/Freddie Mac/US Federal Reserve Bank

Upcoming Economic Releases

Friday 1/11/2019

Consumer Price Index - BLS

Tuesday 1/15/2019

Producer Price Index - BLS

Wednesday 1/16/2019

Retail Sales - Census
Housing Market Index - NAHB
Oil Inventories - EIA

Thursday 1/17/2019

Housing Starts - Census
Jobless Claims - DOL

Friday 1/18/2019

Consumer Sentiment - U of M

Tuesday 1/22/2019

Existing Home Sales - NAR

Wednesday 1/23/2019

FHFA House Price Index - FHFA