

Bankrate: Mortgage Rates Post Largest One Week Increase in 10 Months

January 31, 2013 7:30 AM ET

NEW YORK, Jan. 31, 2013 /PRNewswire/ -- Fixed mortgage rates recorded the biggest one week increase since last March, with the benchmark 30-year fixed mortgage rate rising to 3.77 percent this week, according to Bankrate.com's weekly national survey. The average 30-year fixed mortgage has an average of 0.29 discount and origination points.

(Logo: <http://photos.prnewswire.com/prnh/20040122/FLTHLOGO>)

To see mortgage rates in your area, go to <http://www.bankrate.com/funnel/mortgages/>.

The average 15-year fixed mortgage rate climbed back above the 3 percent mark for the first time since September, hitting 3.03 percent, while the larger jumbo 30-year fixed mortgage jumped to 4.17 percent. Adjustable rate mortgages were also higher, with the 3-year ARM increasing to 3.04 percent and the 7-year ARM settling at 2.96 percent, both six-month highs.

Mortgage rates were up for the second week in a row, and remain at the highest levels since September, as the benchmark 10-year Treasury note yield crossed the 2 percent mark this week. Mortgage rates are closely related to yields on long-term government bonds. With the fiscal cliff averted and the debt ceiling debate delayed, the immediate risk of an economic contraction has declined, pushing bond yields and mortgage rates higher, at least temporarily.

The last time mortgage rates were above 5 percent was Apr. 2011. At the time, the average 30-year fixed rate was 5.07 percent, meaning a \$200,000 loan would have carried a monthly payment of \$1,082.22. With the average rate now 3.77 percent, the monthly payment for the same size loan would be \$928.50, a difference of \$153 per month for anyone refinancing now.

SURVEY RESULTS

30-year fixed: 3.77% -- up from 3.66% last week (avg. points: 0.29)
15-year fixed: 3.03% -- up from 2.94% last week (avg. points: 0.31)
5/1 ARM: 2.78% -- up from 2.71% last week (avg. points: 0.29)

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>.

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. There is no clear consensus, with 40 percent of respondents expecting mortgage rates to rise and an equal 40 percent forecasting mortgage rates will fall. Just 20 percent predict mortgage rates will remain unchanged over the next seven days.

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

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