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Mortgages › Rate Trends

Expert poll: Mortgage rate trend predictions for May 2 - 8, 2024

Written by **Andrew Dehan**

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Expect rates to drop in the short-term, say the majority of rate watchers in Bankrate's weekly survey.

Of those polled, 55 percent of respondents predict rates will drop, 27 percent expect rates to rise and 18 percent expect rates to stay the same over the next week.

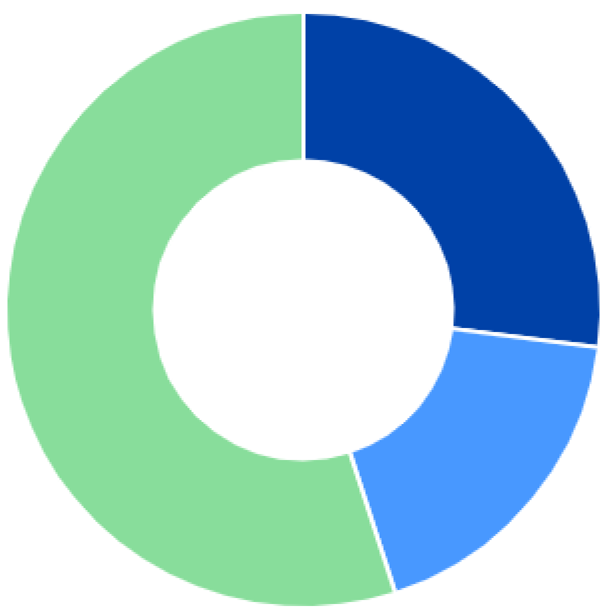
The average 30-year fixed rate was 7.39 percent as of May 1, according to Bankrate's national survey of large lenders, up from last week's average of 7.31.

Estimate your monthly mortgage payment based on current rates using this calculator.

RATE TREND INDEX

Experts predict where mortgage rates are headed

Week of May 2 - 8, 2024



Experts say rates will...

Go up	27%
Stay the same	18%

Go down	55%

Percentages might not equal 100 due to rounding.

“The Fed announcement of a slower run-off of Treasurys from its balance sheet should help keep a lid on mortgage rates, and we may see brief declines.”

— Greg McBride
Bankrate

27% say rates will go up

Robert Brusca
Chief economist, Facts and Opinions Economics, New York

Up.

Derek Egeberg
Branch Manager, Guild Mortgage, Yuma, Arizona

Higher.

Ken H. Johnson

Real estate economist, Florida Atlantic University

After today's FOMC meeting, it is apparent the Fed has all but given up on multiple rate cuts in the near future. In fact, the Fed's recent statements can only be described as more and more hawkish. This is not good for long-term mortgage rates. A hawkish Fed drives up the yield on 10-year Treasurys, which drives up mortgage rates. Accordingly, we should expect to see a rise in mortgage rates next week.

55% say rates will go down

Michael Becker

Branch manager, Sierra Pacific Mortgage, White Marsh, Maryland

Bonds are rallying after the conclusion of the Fed's FOMC meeting and Jay Powell's press conference. Powell and the Fed acknowledged that inflation during most of 2024 has been running higher than was expected, but they stuck to being data-dependent and said that it may take longer to bring inflation back down to the Fed's target. This is less hawkish than markets were expecting. I expect bonds to rally in the coming week. This will lead to lower mortgage rates in the coming week.

Melissa Cohn

Regional Vice President, William Raveis Mortgage

As predicted, the Fed left rates unchanged and indicated that it will not cut rates until there is greater evidence that the rate of inflation is moving towards the target goal of 2 percent. The Fed did announce that it would slow the pace at which it allows maturing bonds to roll off its balance sheet — a DOVISH move. In his comments, Mr. Powell did indicate that the next move is unlikely to be a rate hike. The markets have cheered, and bond yields are dropping nicely. Mortgage rates will drop this week!

Heather Devoto

Vice President, Branch Manager, First Home Mortgage, McLean, VA

My expectation is for a decline in rates in the coming week as traders react to Chair Powell's characterization of the recent economic developments.

Greg McBride

CFA, chief financial analyst, Bankrate.com

The Fed announcement of a slower run-off of Treasurys from its balance sheet should help keep a lid on mortgage rates, and we may see brief declines. But the focus will quickly shift back to inflation and until we start seeing better inflation numbers, the risk in mortgage rates remains to the upside.

Les Parker

CMB, managing director, Transformational Mortgage Solutions, Jacksonville, Florida

Mortgage rates will go down. Here's a parody of "Criminal," a Britney Spears 2011 hit. "But Powell, Bears found love with a criminal. And bad data love isn't rational. It's physical." Gold expects the Fed to reduce its quantitative tightening by reducing the sales of treasury securities, reducing the risk of an accidental liquidity crisis.

Sean P. Salter, Ph.D.

Associate Professor of Finance and Dale Carnegie Trainer, Middle Tennessee State University, Murfreesboro, TN

Lower. Following the Fed's announcement to maintain current levels with no indication of rate cuts, I expect rates to decline slightly. Over the next few weeks, I expect rates to return to their current levels and possibly even rise following this temporary reprieve.

18% say unchanged

Dick Lepre

Senior Loan Officer, Realfinity, Alamo, CA

Trend: Flat. We have and will continue to have high rates because the Fed is unable to control inflation. The Fed cannot control inflation because of enormous deficit spending.

James Sahnger

Mortgage planner, C2 Financial Corporation, Jupiter, Florida

Unchanged. As investors await the results of next week's Federal Reserve meeting, rates should remain rangebound. Economic data has been mixed with a hint of a little warmer-than-expected. [The] risk may be greater in rates moving higher than lower.

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