

## Macro Roundup Article

**Headline:** [The "New Normal" Mortgage Rate Range](#)

**Article Link:** <https://calculatedrisk.substack.com/p/the-new-normal-mortgage-rate-range>

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**Tweet:** [. @calculatedrisk](#) notes that a rise in the neutral rate vs. the pre-pandemic period would imply that 30-year fixed mortgage rates “will be in current range for some time.”

**Summary:** Goldman Sachs economists argued the neutral rate will likely be higher than the Fed currently expects. "We expect the funds rate to eventually stabilize at 3-3.25%." If the neutral rate is in that range then the 30-year fixed mortgage rate will be in the low to mid 6% range. With a 3.25% Fed Funds rate, a 4.45% 10-year yield, we'd expect 30-year mortgage rates around 6.45%. Recent buyers, with 7%+ mortgage rates, might be able to refinance, but most buyers will be locked into their current rate. The bottom line is it appears 30-year mortgage rates will be in current range for some time (barring a crisis).

**Related Articles:** Could 6% to 7% 30-Year Mortgage Rates be the "New Normal"? and What Have We Learned About the Neutral Rate? and Rate Cuts

**Primary Topic:** Housing

**Topics:** Financial Markets, GDP, Housing, Op-Ed/Blog Post

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