Mortgages

Expert poll: Mortgage rate trend predictions for Sept. 21-27, 2023

Written by **Andrew Dehan**

September 20, 2023 | Advertiser Disclosure

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explanation for how we make money.

With the latest Federal Reserve meeting now cor
this week, according to the majority of the rate-v

Of those polled, 55 percent of respondents believe mortgage rates will rise, 27 percent believe rates will remain the same and 18 percent believe rates will decrease.

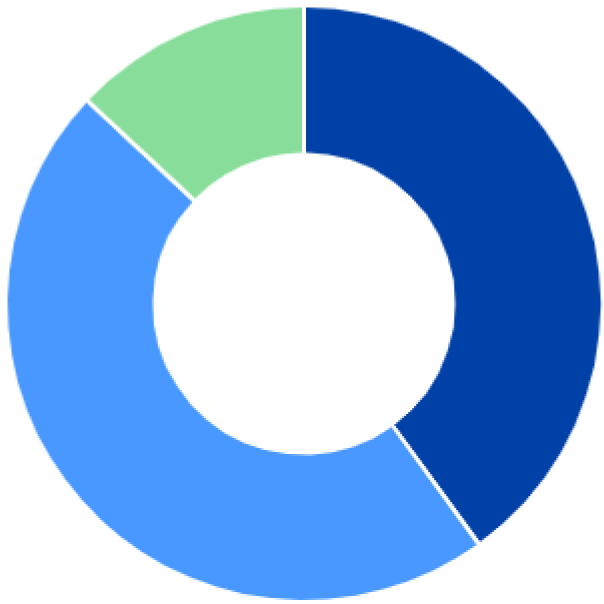
The average 30-year fixed increased slightly to 7.42 percent as of Sept. 20, according to Bankrate's national survey of large lenders, up from 7.41 percent the previous week.

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

RATE TREND INDEX

Experts predict where mortgage rates are headed

Sept. 21-27, 2023



Experts say rates will...

Go up	40%
Stay the same	47%
Go down	13%

Percentages might not equal 100 due to rounding.

Current Mortgage Rates for September 21, 2023

Purchase | Refinance

Zip Code: 33431 Boca Raton, FL

Property Value: $ 720,000

Loan Amount: $ 432,000

Cash-out: Yes | No

Loan Term: 30 year fi...

Credit Score: 78...

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Lender	APR	Rate	Mo. payment	Sort by
30 Year Fixed NMLS: #240415 (4.96)	6.57% Sep 21, 2023	6.38% Points: 1.544	$2,695 Fees: $8,665	Next →
30 Year Fixed NMLS: #1374724 (4.78)	6.81% Sep 21, 2023	6.63% Points: 1.836	$2,766 Fees: $8,016	Next →
30 Year Fixed	6.99%	6.9		

> **Until inflation goes down to the Fed's target of 2 to 2.5 percent, do not expect rates to move lower.**

— Derek Egeberg
Academy Mortgage Corporation

40% say rates will go up

Michael Becker

Branch manager, Sierra Pacific Mortgage, White Marsh, Maryland

As expected, the Fed held interest rates at their current levels. However, the long-term level of the federal funds rate as indicated by the dot plot — a projection of the future rates — shows that the Fed expects rates to stay higher for longer. This should put upward pressure on rates. Mortgage rates will be higher in the coming week.

Melissa Cohn

Regional Vice President, Raveis Mortgage

The Fed left rates unchanged at the conclusion of
expect one more rate hike before the end of the ye
higher for as long as the rate of inflation remains a
will bounce around in the next week with a tilt to t

plot did also indicate the expectation that there would be two rate cuts in 2024. Once the last rate hike is behind us, mortgage rates will decline in a meaningful way.

Derek Egeberg

Certified mortgage planning specialist and branch manager, Academy Mortgage, Yuma, Arizona

Rates are moving higher. August core inflation rose again, higher than most experts expected. As mentioned last week, the market and the Fed have no choice but to keep rates moving higher. Until inflation goes down to the Fed's target of 2 to 2.5 percent, do not expect rates to move lower. That Fed target from where we are now is a 50 percent decline in the inflation rate.

Greg McBride

CFA, chief financial analyst, Bankrate.com

The "higher for longer" interest rate theme and the prospect of a government shutdown at month-end have bond yields and mortgage rates on the rise.

Sean P. Sa

Associate Professor of Finance and Dale Carnegie Train

Rates will be higher this week. The 30-year mortgage rate ticked higher last week, and the 10-year Treasury has been moving up in the past few weeks. Unless and until something significant and unexpected happens, I don't see a huge jump or drop in mortgage rates — just small, incremental moves.

Nancy Vanden Houton, CFA

CFA, Senior Research Analyst, Stone & McCarthy Research Associates, New York, NY

Higher.

13% say rates will go down

Heather Devoto

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

I expect rates to decline in the week to come, following in-line economic commentary from Fed Chair Powell.

Les F

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

Mortgage rates [will] go down. Here's a parody from The Beatles' 1965 Rubber Soul classic album, "I'm Looking Through You": "You don't sound different. They've learned the game. Bonds looking through you. Fed's not the same." The Fed wants the long end to not jump the gun while it jumps the shark. It wants to hold another tightening in its pocket to keep markets in line, but it only proves the Fed's show is over. One tightening and higher longer is all it has.

47% say unchanged–

Ken H. Johnson

Real estate economist, Florida Atlantic University

Ten-Year Treasury prices will hold steady this week resulting in the yield on 10-Year Treasurys remaining steady with little change. Mortgage rates follow the yield on 10-Year Treasurys. No change in yields will result in no change in mortgage rates. Next week, mortgage rates should remain unchanged. This should be the last week of low volatility in mortgage rates as the debate over a federal shutdown heats up.

Dick Lepre

Loan agent, CrossCoun

Trend: Flat. Markets don't seem to care whether o

money supply which has been falling and could ca

James Sahnger

Mortgage planner, C2 Financial Corporation, Jupiter, Florida

The Fed concluded its meeting Wednesday announcing that [the fed funds rate] was left unchanged at 5.25 percent to 5.50 percent, with the door remaining open to another hike or two in 2023. Still committed to reaching the inflation target of 2.0 percent, they will remain steadfast to keeping interest rates higher longer than what was originally anticipated. The target rate of 2.0 percent isn't expected to be reached until 2026. As inflation is the enemy to bond prices, the Fed is adamant to keeping it in check and ultimately this should lead to lower long-term interest rates, including mortgage rates. In the meantime, look for rates to take a bit of a breather. Next week is a data-packed week, including GDP and PCE data which can be a market-mover, so if you are floating an interest rate, be at the ready to lock it.

Greg McBride

CFA, chief financial analyst, Bankrate.com

The CPI didn't tell us anything we didn't already know, so the next big catalyst for movement in mortgage rates is the Fed meeting on Sept. 20.

Les F

CMB, managing director, Transformationa

Mortgage rates go nowhere. Here's a parody based on Jackson Browne's 1977 classic, "Running On Empty": "Running on (running on empty), Running on (running slow), Running bonds (running into data), But they're running behind." Analysts differ on where the U.S. economic cycle stands. Is this a recession, recovery, middle or late-cycle? Maybe it's scrambled due to the global economic reactions to governmental reactions to the pandemic.

James Sahnger

Mortgage planner, C2 Financial Corporation, Jupiter, Florida

CPI came in today for the month of August at 3.6 percent which is far different than the 9.0 percent seen in June 2022. The increase from July came in large part to rising energy and housing costs. If you remove the volatile energy prices, overall inflation is closer to the Fed's target rate of 2.0 percent. With next week being light of economic news, rates should remain rangebound.

Sean P. Salter, Ph.D.

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

Unchanged. The 10-year Treasury yield is up over the past 14 days, and mortgage rates should follow; however, mortgage rates were slightly down this week. I think that's a signal of what's happening on the origination side. We've heard reports that mortgage applications are at a 28-year low, so demand for mortgages is abysmal. I attribute lower mortgage rates to mortgage originators trying to gin up business — making a little less money is better than making none, but there's a limit to how low mortgage rates can go while overall rates are still rising. Mortgage rates may wiggle a little one way or the other, but I think they'll be basically unchanged this week.

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