Demand For Treasuries Drives Rates Lower - Fixed Income Update

As a result of the bank failures, there has been an increased demand for Treasury bonds as a safe haven while the turmoil unfolds and volatility increases. The surge in bond buying has in turn brought down interest rates and has driven bond prices higher.

The flight to U.S. Treasury bonds drove bond yields down across fixed-income markets, simultaneously alleviating rates on mortgages and consumer loans. The average rate for a 30-year conforming mortgage loan fell to 6.32% on March 30th, a welcome drop for homebuyers nationwide.

Sources: U.S. Treasury, FreddieMac