Ginnie Mae
Our Guaranty Matters

GLOBAL MARKETS ANALYSIS REPORT

A Monthly Publication of Ginnie Mae's Office of Capital Markets

July 2024

Table of Contents

Inside this Month's Global Market Analysis Report...

The July 2024 *Highlights* discusses Jerome Powell's stance towards central bank rate cuts in the short-term considering recent trends of inflation. The *Highlights* also address how fixed-income investors have reacted to potential cuts in the future, tying it to recent trends within the residential mortgage market. Additionally, the *Highlights* discuss the potential effects of a newly introduced refinancing incentive program.

Notable insights in this month's Global Market Analysis Report include the following:

- The Fixed Income Product Performance Comparisons section shows that Ginnie Mae MBS continue to offer attractive yields relative to sovereigns with comparable durations globally.
- The Single-Family MBS Pass-Through Issuance section captures the leading role government lending/mortgage insurance programs are playing in the post-pandemic mortgage market. Gross and net issuance of Single-Family Ginnie Mae pass-throughs exceeds that of both Fannie Mae and Freddie Mac.
- The SOMA Holdings section captures FED Chair Jerome Powell's comments regarding the FED's decision to keep the policy rate unchanged and the Fed's future path of interest rates.
- The Housing Affordability - Affordability Index section shows how homebuyer affordability has decreased for families purchasing median priced homes. Accordingly, the new homebuyer monthly payment figure shows how monthly payments have been increasing for first-time homebuyers.

Highlights

While stubborn inflation persisted during the first quarter of 2024, the three Consumer Price Index (CPI) readings in the second quarter "do add somewhat to confidence" to a sustainable decline in inflation, as stated by Fed Chairman Jerome Powell.[1] The Fed's goal, of course, is appropriately timing rate cuts to reduce inflation to their 2% target in the long run while keeping unemployment and economic growth stable. Many investors saw Chairman Powell's remarks as a positive sign for at least one rate cut by the end of 2024 with a 95% chance, as of July 17, 2024, of the first rate cut in their September meeting. As CPI readings continue to show signs of cooling inflation, the yield on the U.S. Treasury (UST) 10-year dropped approximately 50 bps from the end of April to mid-July, demonstrating increased fixed-income investor demand as they pushed prices higher in expectation for cuts.

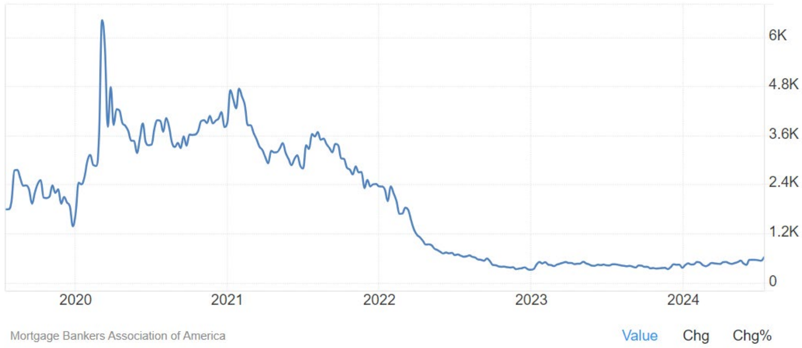
Mortgage rates, some of which use the USTs as a benchmark, have also declined more than 40 bps from early May to mid-July for both 15 and 30-year terms. Although rates are still significantly higher than where rates were during the pandemic, there has been an increase in mortgage application activity in the residential real estate market. According to the Mortgage Bankers Association for the week ending July 12th, "application activity was up 4 percent, driven by a 15 percent jump in refinances to the highest level since August 2022…even with last week's rate decline, purchase applications continue to lag, down 14 percent compared to last year's pace."[2] FHA's share of total applications increased to 9.6% from 9.5% in the week prior and VA's share increased to 11.5% from 11.2% in the week prior.

Refinance activity accounted for 38.8% of total applications for the week ending July 12th, up from 34.9% in the previous week. Purchase application volume remains down year-over-year (YoY) for the same period, likely due to the large number of homeowners holding on to their low pandemic rates.

Approximately 14 million mortgages were refinanced during the pandemic boom, with around five million homeowners extracting $430 billion in home equity and nine million homeowners lowering their monthly payment for an aggregate reduction of $24 billion annually in their housing cost.[3] **Figure 1** shows refinance activity[4] from the past five years and how large the refinance wave was in 2020 when rates were a fraction of where they are now. The index's values represent percent changes in the number of refinance loan applications relative to a point in time.

[1] *Watch Fed Chair Powell's remarks on interest rate policy, the economy (cnbc.com)*
[2] *Mortgage Applications Increase in Latest MBA Weekly Survey | MBA*
[3] *The Great Pandemic Mortgage Refinance Boom - Liberty Street Economics (newyorkfed.org)*
[4] *United States MBA Mortgage Refinance Index (tradingeconomics.com), Y-axis in Points when March 16, 1990 = 100*

Figure 1. Refinance Activity In the Past 5 Years



While another large refinance wave is unlikely in the foreseeable future, lenders are using new strategies to incentivize homeowners to refinance their mortgages. One lender recently rolled out a new program, offering a 125-bp incentive fee for most Veterans Affairs (VA) and Federal Housing Administration (FHA) streamline refinancings.

Such initiatives, along with the future path of the Fed's actions surrounding interest rate cuts, may impact prepayment characteristics of Agency MBS, including Ginnie Mae MBS. **Figure 2,** the Bloomberg Agency Research Prepayment Model (BAM), shows how 2023 G2SF 30-year multi-pools could be impacted by a 30-bp refi-incentive as of July 15th (refer to the right-hand column in the chart below). One-year speeds are significantly boosted, reducing option-adjusted spreads (OAS) across coupons, particularly G2SF 7s.

Figure 2. BAM Model

		100% BAM Reseach STEC Model					With -30bp Refi Elbow Shift				
Security	Price	Yield	OAS	ZVOL	OAD	1YR CPR	Yield	OAS	ZVOL	OAD	1YR CPR
G2SF 5.5 2023 Multi	99-29	5.52	20	115	3.0	14.1	5.51	19	110	2.8	23.0
G2SF 6.0 2023 Multi	100-27	5.74	37	121	2.3	24.3	5.64	32	103	2.0	33.6
G2SF 6.5 2023 Multi	101-19	5.81	48	107	1.5	37.2	5.57	38	83	1.3	46.5
G2SF 7.0 2023 Multi	102-02	5.45	30	58	0.4	60.1	4.96	-2	22	0.4	68.6

Source: Bloomberg Intelligence   Bloomberg Intelligence BI

Ginnie Mae continues to monitor developments within the MBS market and will continue to stay abreast of the factors influencing prepayments speeds. Ginnie Mae monitors prepayments monthly to identify unusual activity and take appropriate action. This approach provides predictability for investors and helps maintain strong investor demand for our securities.

Ginnie Mae is committed to preserving access to credit by allowing eligible borrowers to refinance their mortgages to take advantage of lower rates. Ginnie Mae remains dedicated to its mission of maintaining a deep and liquid MBS program that keeps homeownership affordable, meets the secondary market needs of our Issuers, and preserves the value of our securities.

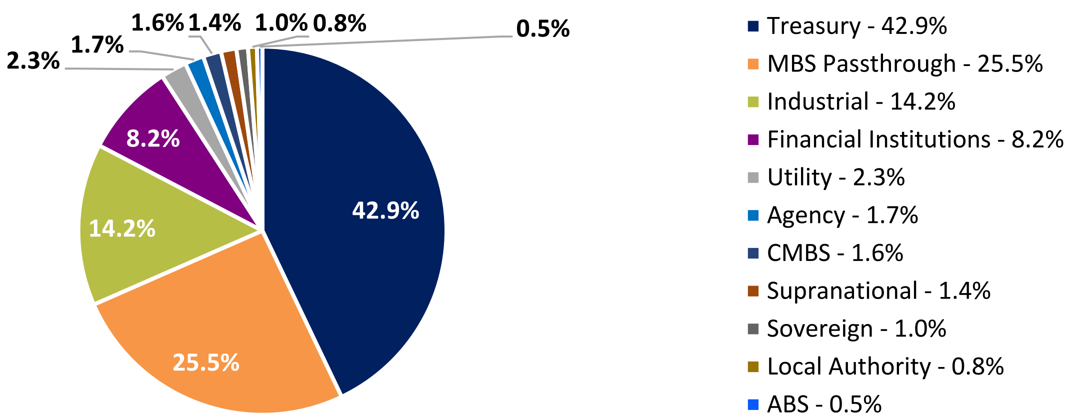
Sources: United States MBA Mortgage Refinance Index (tradingeconomics.com), The Great Pandemic Mortgage Refinance Boom - Liberty Street Economics (newyorkfed.org), Watch Fed Chair Powell's remarks on interest rate policy, the economy (cnbc.com), Mortgage Applications Increase in Latest MBA Weekly Survey | MBA, and Bloomberg Intelligence as of July 15

1 US AGGREGATE AND GLOBAL INDICES

1.1 Bloomberg US Aggregate and Global Indices

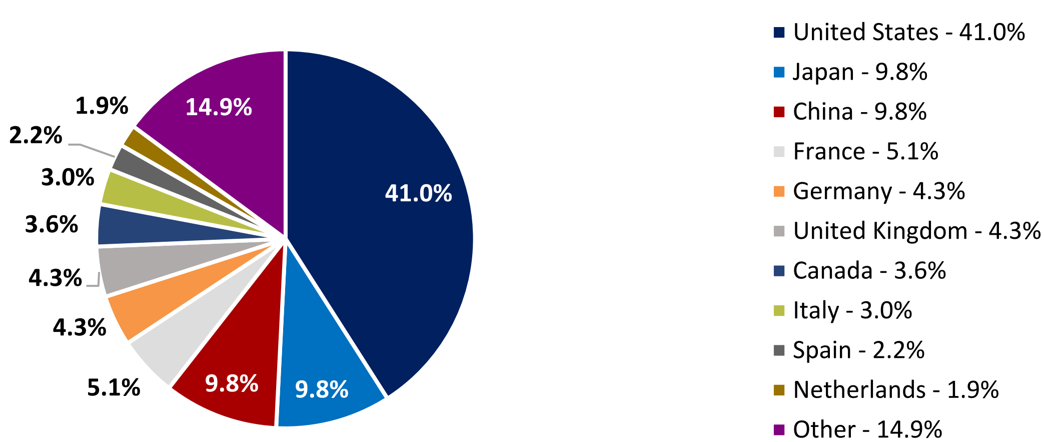
At month-end June, U.S. Treasuries contributed 42.9% to the Bloomberg U.S. Aggregate Index, no change from the prior month. U.S. Agency MBS Passthrough (Ginnie Mae, Fannie Mae, and Freddie Mac) contributed 25.5%, showing no change from the prior month. Industrials represented 14.2% of the index as of month-end June, decreasing approximately 0.1% from the month prior. Supranational securities also saw a change in its contribution to the index, increasing 0.1% from the previous month to 1.4%. All other changes in the U.S. Aggregate Index were no larger than 0.1%.

Figure 3. Bloomberg U.S. Aggregate Index



In the Bloomberg Global Aggregate Index by Country, the U.S. share of fixed income remained the largest share of total outstanding issuance, representing 41.0% of the total index, up approximately 0.3% from the prior month. Japan's share of fixed income was tied for second largest with China's share at 9.8% as of month end June 2024. Japan's share of fixed income decreased approximately 0.2% while China's share increased 0.2% from the month prior. All other countries listed remained stable compared to the prior month with no changes larger than 0.1%.

Figure 4. Bloomberg Global Aggregate Index by Country



Source: Bloomberg [both charts]. Note: Data as of June 2024. Figures in charts may not add to 100% due to rounding.

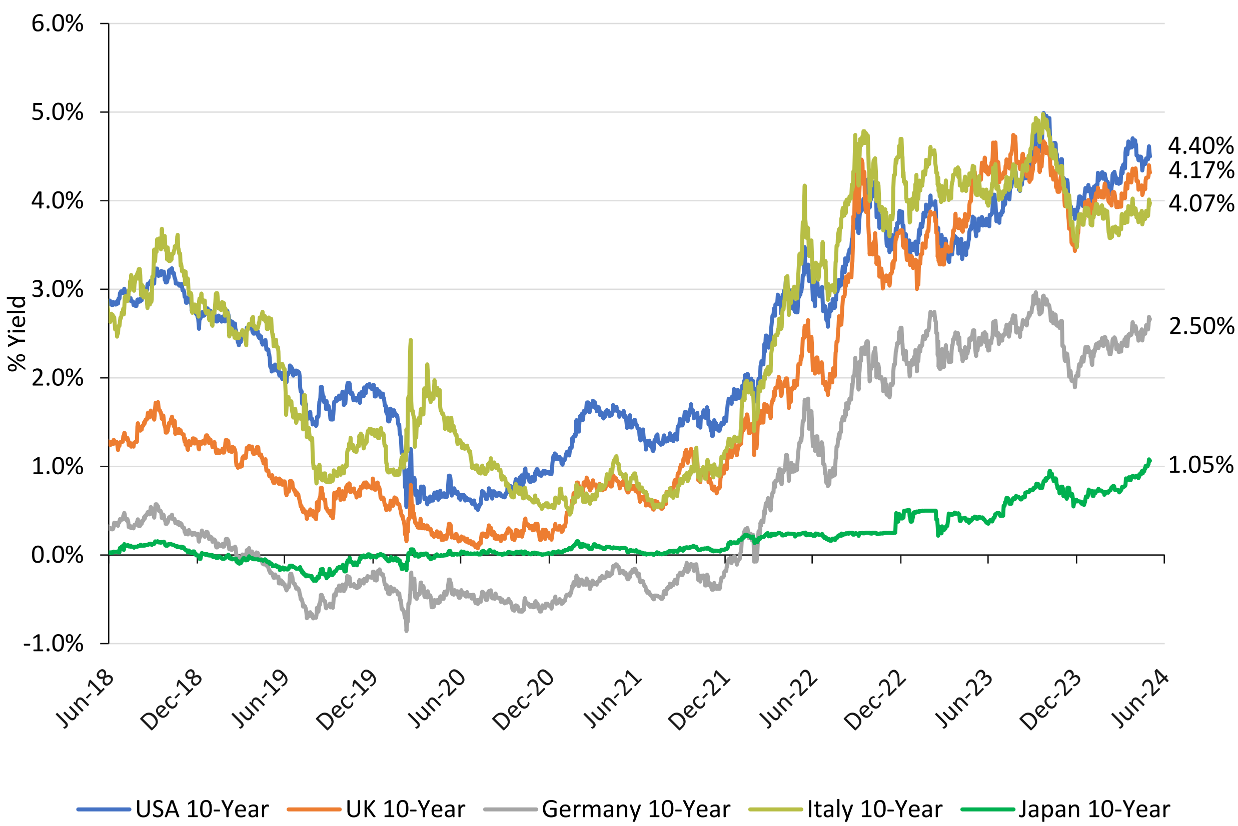
2 SOVEREIGN DEBT PRODUCT PERFORMANCE COMPARISONS

2.1 Global 10-Year Treasury Yields (Unhedged)

The U.S. 10-year Treasury yield moved to 4.40% at month-end June 2024, a month to month (MtM) decrease of 10 bps. Since October 2023, U.S. 10-year Treasury note rates have marked the highest government yield amongst the countries listed below. All month-end yields excluding the Italian 10-year decreased from the previous month.

- The yield on the UK 10-year note decreased to 4.17% at month-end June, a MtM decrease of 15 bps.
- The yield on the German 10-year note decreased to 2.50% at month-end June, a MtM decrease of 16 bps.
- The yield on the Italian 10-year note increased to 4.07% at month-end June, a MtM increase of 9 bps.
- The yield on the Japanese 10-year note decreased to 1.05% at month-end June, a MtM decrease of 1 bp.

Figure 5. Global 10-Year Treasury Yields



Source: Bloomberg. Note: Data as of June 2024.

2.2 U.S. Treasury Hedged Yields

The yield for the 10-year Treasury, hedged in Japanese Yen (JPY) stood at -0.53% at month-end June, a 5 bp decrease from month-end May.

The yield for the 10-year Treasury, hedged in Euros (EUR) stood at 2.66% at month-end June, a 14 bp decrease from month-end May.

Figure 6. U.S. 10yr Total Return Hedged, 1 yr. JPY

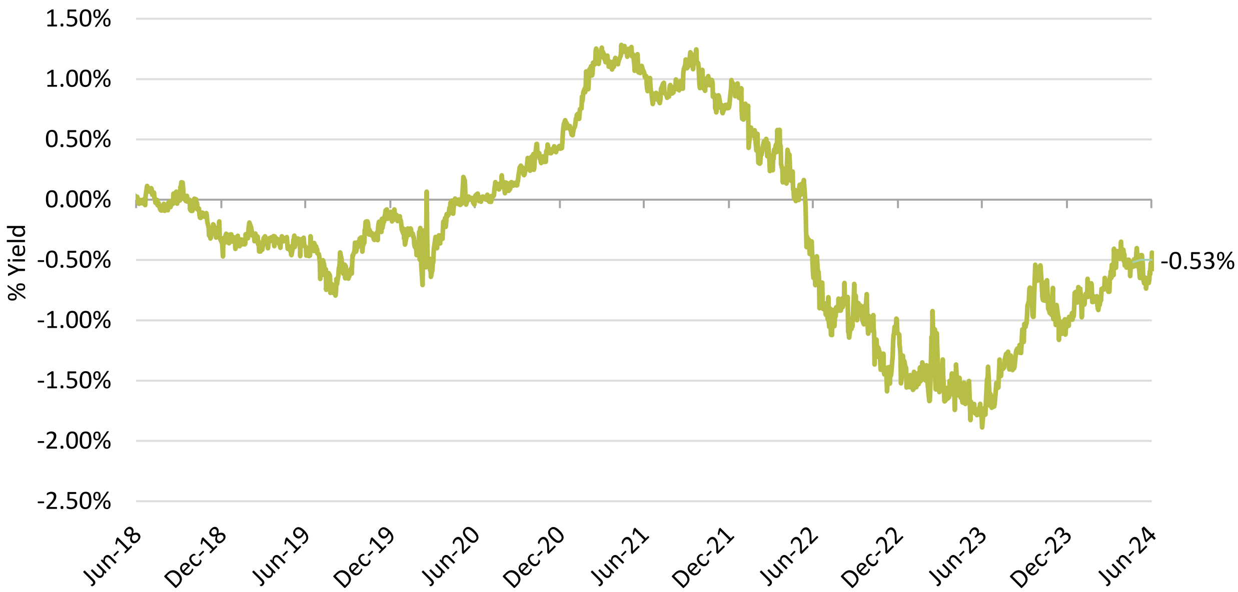
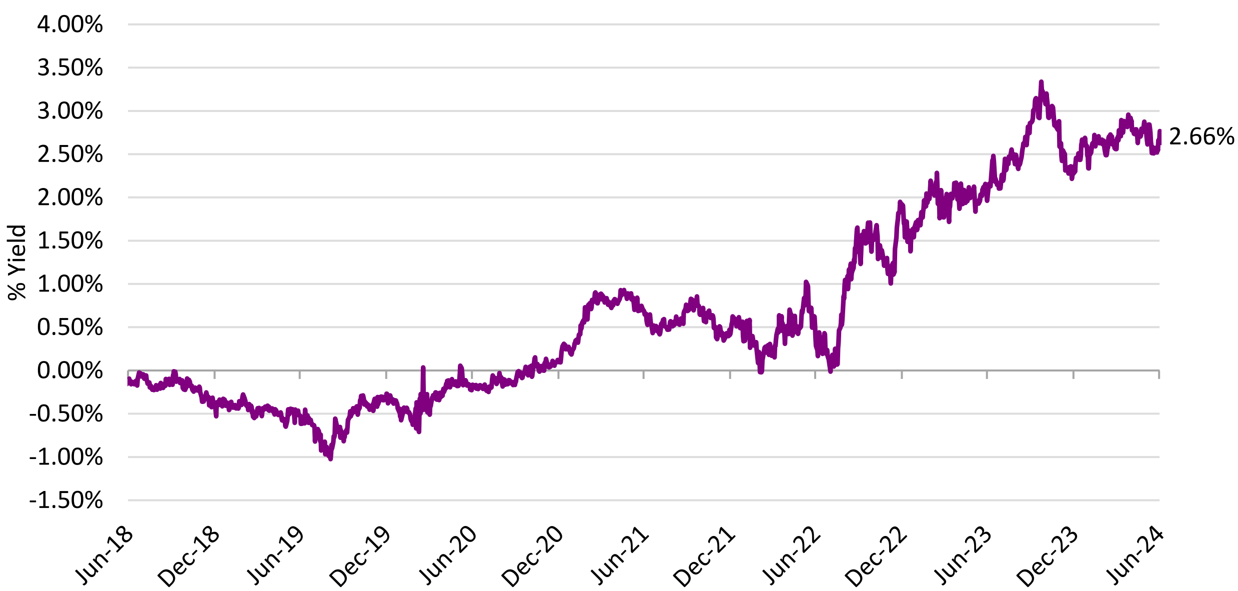


Figure 7. U.S. 10yr Total Return Hedged, 1 yr. EUR



Source: Bloomberg. Notes: Data as of June 2024. The 10yr Total Return Hedged Yields are calculated by taking the 10yr treasury yield and subtracting the 1yr hedge cost for JPY and EUR.

SECONDARY MORTGAGE MARKET

3 FIXED INCOME PRODUCT PERFORMANCE COMPARISONS

3.1 Ginnie Mae Yields – USD

Ginnie Mae II yields were 5.98% at month-end April, decreased 22 bp to 5.76% at month-end May, then increased 16 bps to 5.92% at month-end June. The Ginnie Mae II spread over the U.S. 10-year Treasury yield decreased 49 bps from 194 bps in June 2023 to 145 bps over the U.S. 10-year Treasury yield as of month-end June 2024.

Figure 8. Ginnie Mae II SF Yield, USD

Figure 9. Ginnie Mae II SF Yield – U.S. 10yr Treasury Yield

Source: Bloomberg. Note: Data as of June 2024.

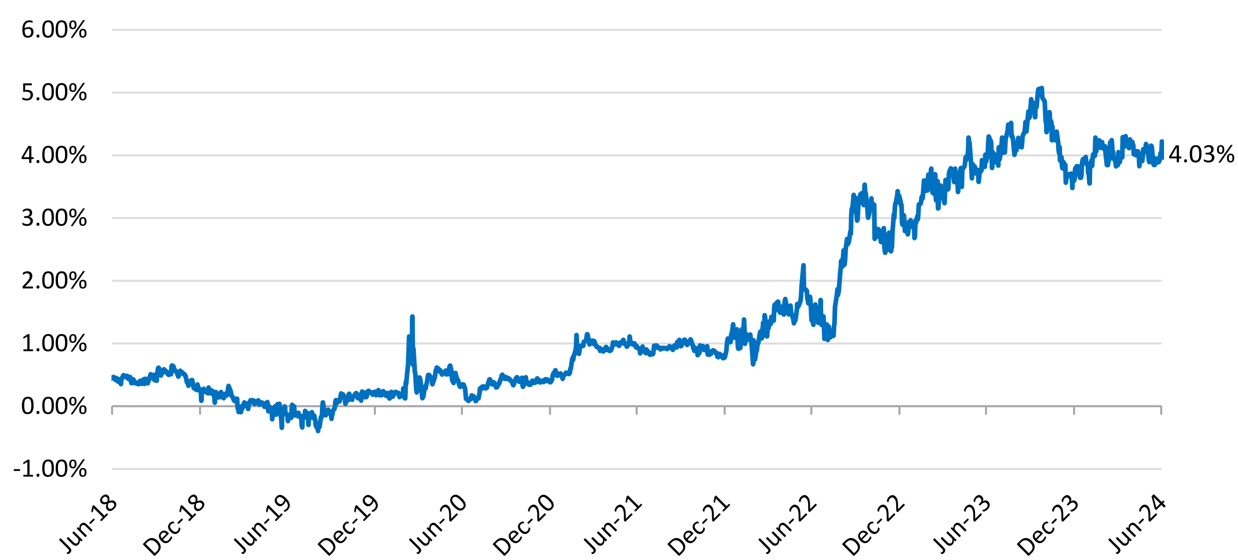
3.2 Ginnie Mae Hedged Yields

The yield for Ginnie Mae II's, hedged in Japanese Yen stood at 0.84% at month-end June, a 6 bp increase from month-end May. The hedged yield is approximately 21 bps lower than the Japanese 10-year yield as of month-end June 2024.

The yield for Ginnie Mae II's, hedged in Euros stood at 4.03% at month-end June, a 3 bp decrease from month-end May. The hedged yield is approximately 153 bps higher than the German 10-year yield, and 4 bps lower than the Italian 10-year yield as of month-end June.

Figure 10. Ginnie Mae II Hedged, 1 yr. JPY

Figure 11. Ginnie Mae II Hedged, 1 yr. EUR



Source: Bloomberg. Notes: Data as of June 2024. The Ginnie Mae II Hedged Yields are calculated by taking the Ginnie Mae II Yield and subtracting the 1yr hedge cost for JPY and EUR.

3.3 Ginnie Mae Yield Spreads – Intermediate Credit

The GNMA II 30-year OAS decreased 1 bp MtM to 0.42%, as of month-end June. The U.S. Intermediate Credit OAS increased 8 bps to 0.75% from month-end May to month-end June. The yield differential between U.S. Intermediate Credit and GNMA II 30-year OAS increased 9 bps to 0.33% at month-end June.

Figure 12. U.S. GNMA II 30yr MBS OAS versus U.S. Intermediate Credit OAS

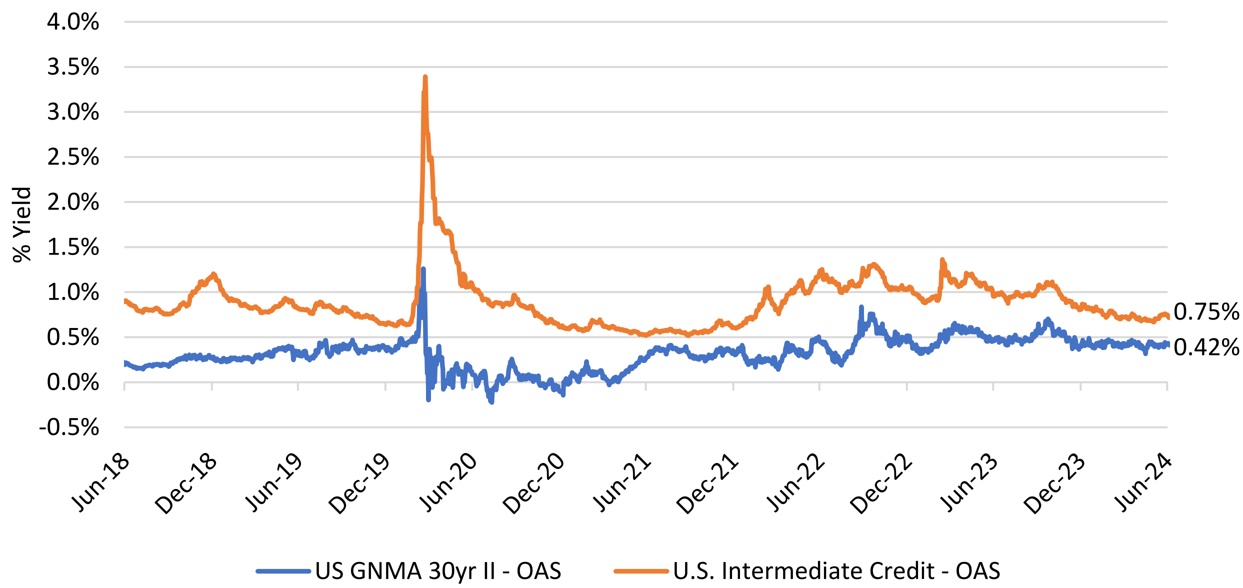


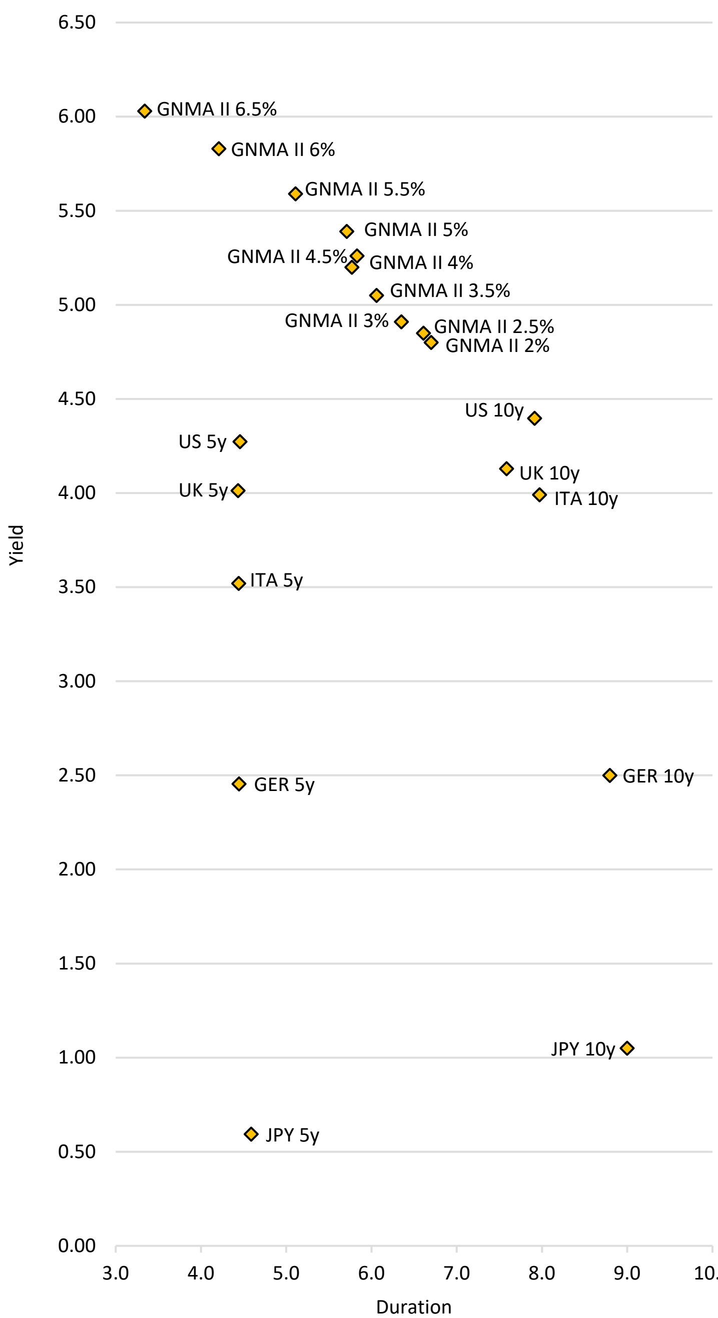
Figure 13. Spread between U.S. Intermediate Credit and U.S. GNMA II 30yr MBS OAS

Source: Bloomberg. Note: Data as of June 2024.

3.4 Global Treasury Yield Per Duration

Ginnie Mae MBS continues to offer a higher yield in comparison to other government fixed income securities of various tenors with similar or longer duration. Prepayment risk is a feature of MBS.

Figure 14. Yield vs. Duration



Security	Duration	Yield (%)
U.S. 5y	4.46	4.27
U.S. 10y	7.91	4.40
JPY 5y	4.59	0.59
JPY 10y	9.00	1.05
GER 5y	4.45	2.45
GER 10y	8.80	2.50
ITA 5y	4.44	3.52
ITA 10y	7.97	3.99
UK 5y	4.43	4.01
UK 10y	7.59	4.13
GNMA II 2%	6.61	4.85
GNMA II 2.5%	6.70	4.80
GNMA II 3%	6.35	4.91
GNMA II 3.5%	6.06	5.05
GNMA II 4%	5.77	5.20
GNMA II 4.5%	5.83	5.26
GNMA II 5%	5.71	5.39
GNMA II 5.5%	5.11	5.59
GNMA II 6%	4.21	5.83
GNMA II 6.5%	3.34	6.03

Source: Bloomberg. Note: Yield and modified duration for GNMA II securities is based on median prepayment assumptions from surveyed Bloomberg participants. All data is as of June 2024. Yields are in base currency of security, unhedged and rounded to nearest bp.

4 PREPAYMENTS

4.1 Aggregate Prepayments (CPR)

Freddie Mac's fixed rate aggregate prepayment speeds decreased by 0.4% MtM from May 2024 to June 2024. Similarly, Fannie Mae CPRs decreased by 0.4% MtM and Ginnie Mae's CPRs decreased by 0.5% MtM. ARM prepayments saw decreases of 1.8% MtM for Freddie Mac and 1.1% MtM for Fannie Mae, while Ginnie Mae saw an increase of 0.9%.

Figure 15. Fixed Rate Aggregate 1-Month CPR

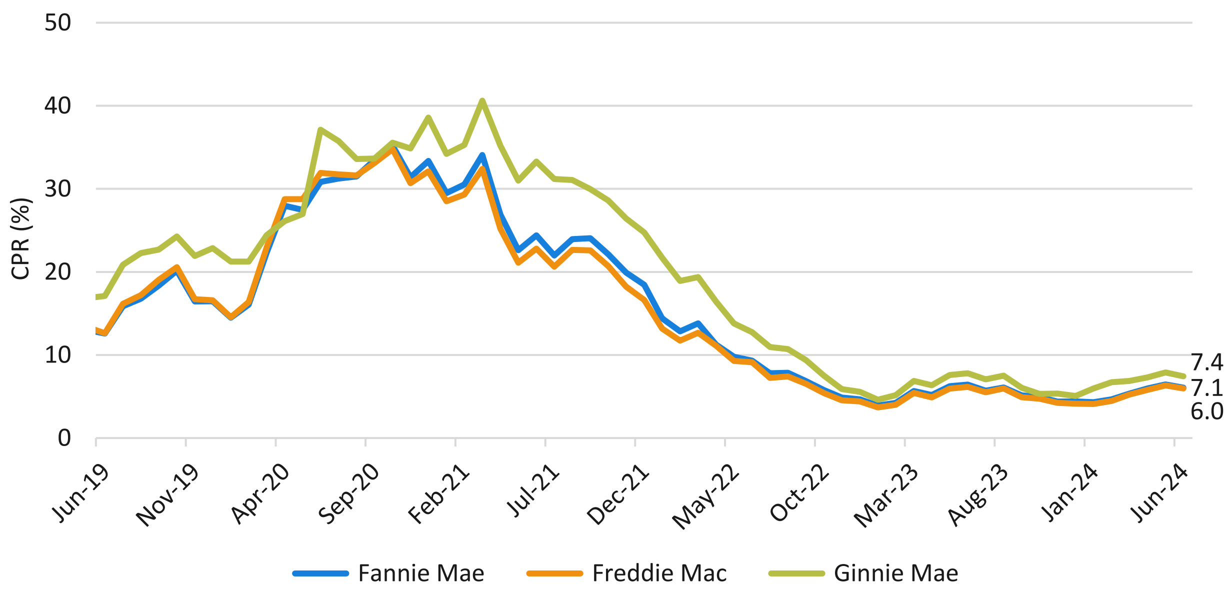
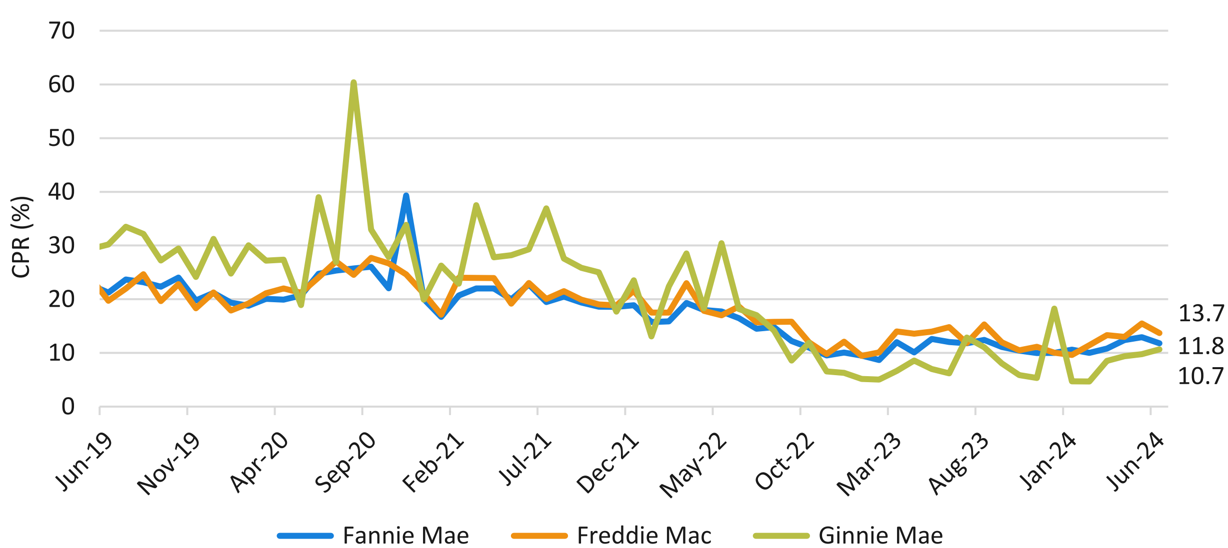


Figure 16. ARM Aggregate 1-Month CPR



Source: Recursion. Note: Data as of June 2024.

4.2 Involuntary Prepayments (CDR)

Fixed rate involuntary prepayments (CDR) remained higher for Ginnie Mae than for the GSEs. The spread in prepayment speeds between Ginnie Mae and GSE prepayments has converged significantly since Ginnie Mae's peak of 12.4 CDR in June 2020. ARM CDRs for Freddie Mac continued to remain below Ginnie Mae as of month-end June 2024 after slightly overtaking Ginnie Mae in September 2022.

Figure 17. Fixed Rate Aggregate CDR

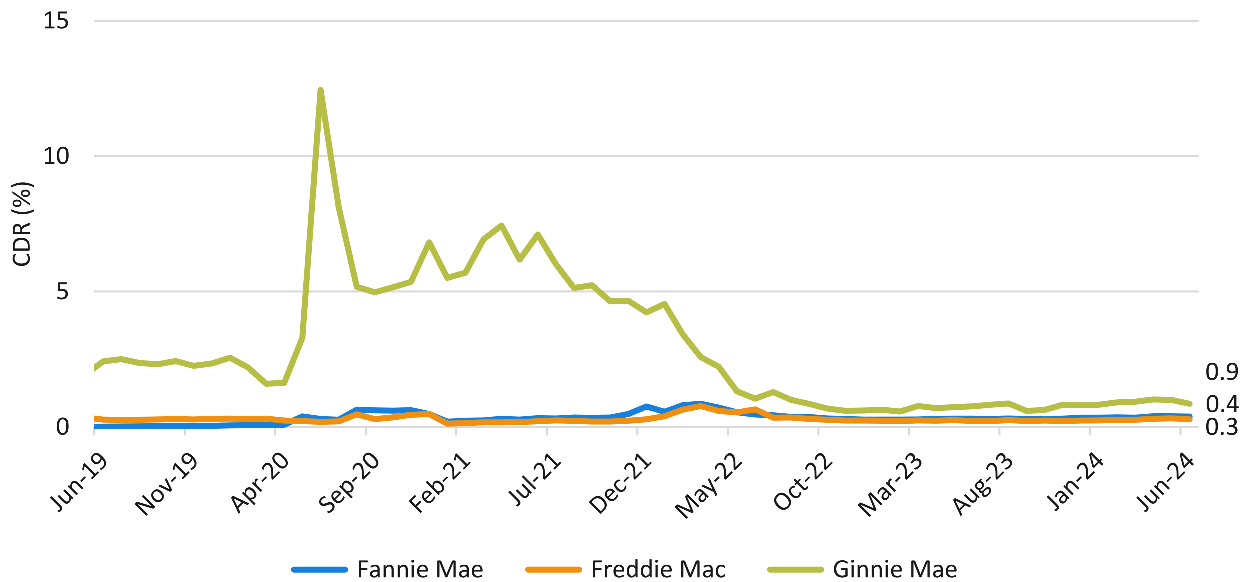
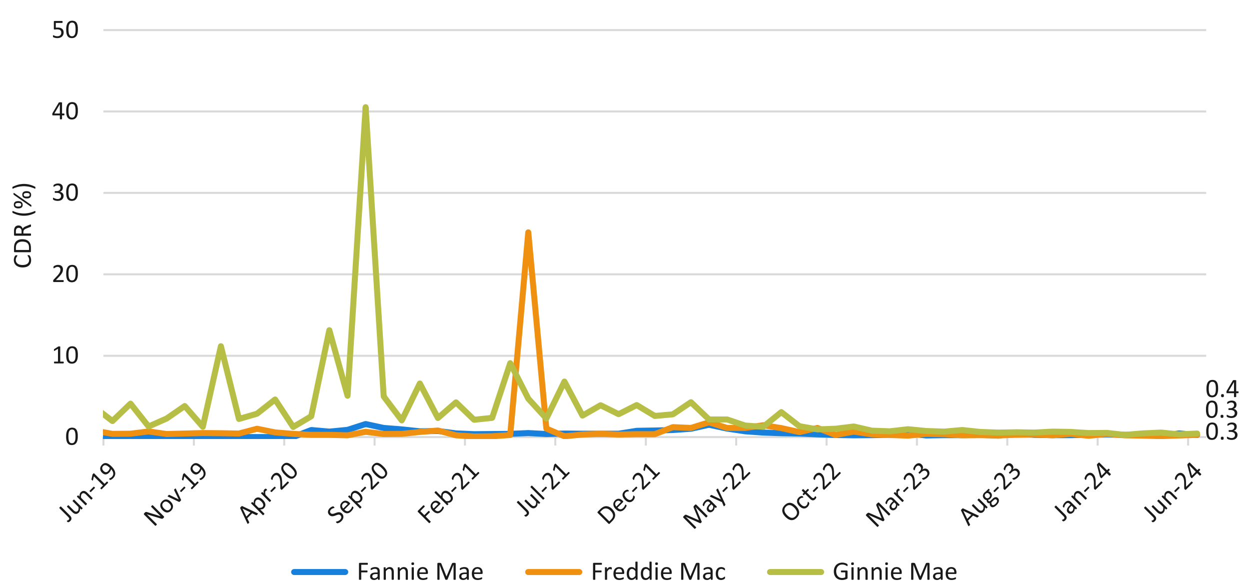


Figure 18. ARM Aggregate CDR



Source: Recursion. Note: Data as of June 2024.

4.3 Voluntary Prepayment Rates (CRR)

Fixed rate voluntary prepayments were higher for Ginnie Mae than Fannie Mae and Freddie Mac. Fannie Mae and Freddie Mac saw decreases of 0.4% MtM and 0.3% MtM, respectively, in fixed rate aggregate CRR. Freddie Mac saw a 1.9% decrease MtM in ARM aggregate CRR while Fannie Mae saw a 1.0% decrease MtM. Ginnie Mae's fixed rate aggregate CRR decreased by 0.3% MtM while ARM aggregate CRR increased by 0.8% MtM.

Figure 19. Fixed Rate Aggregate CRR

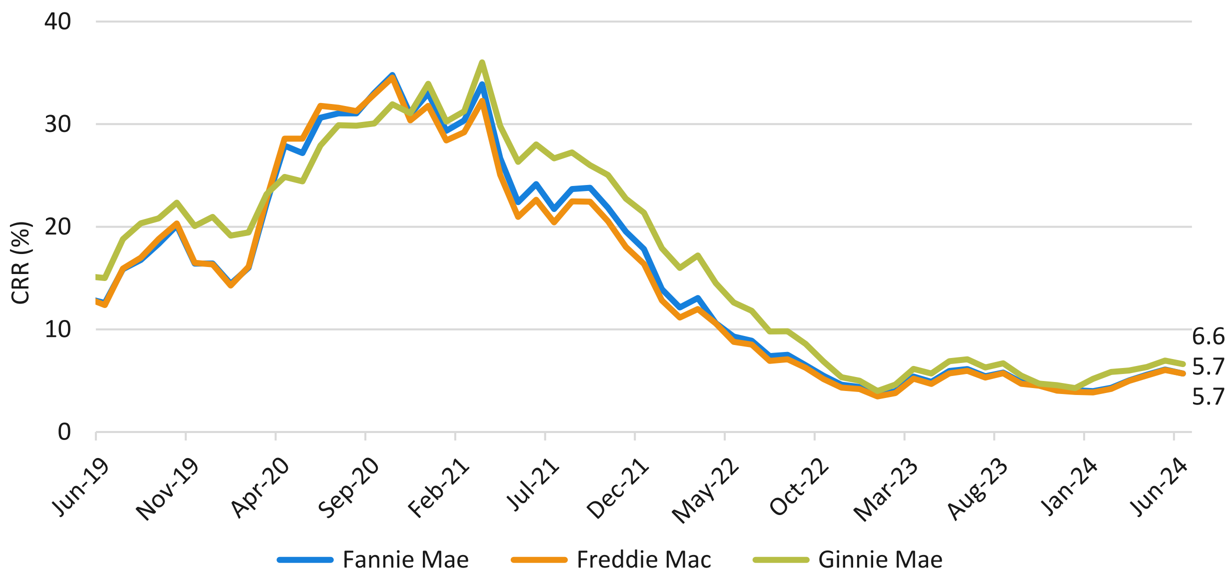
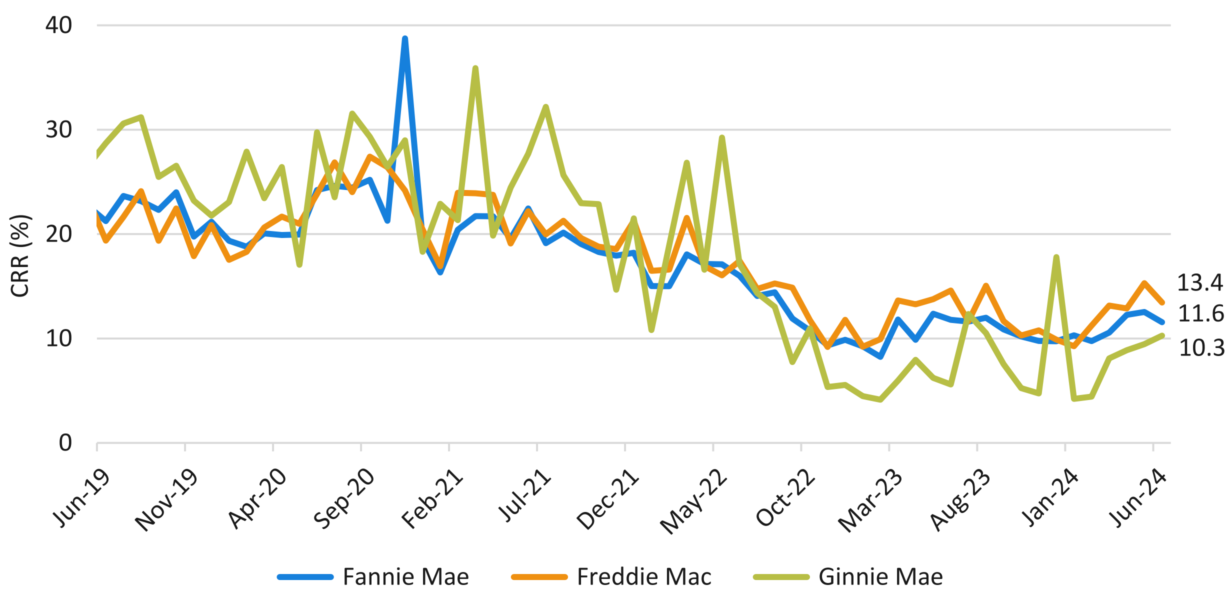


Figure 20. ARM Aggregate CRR



Source: Recursion. Note: Data as of June 2024.

5 SINGLE-FAMILY MBS PASS-THROUGH ISSUANCE

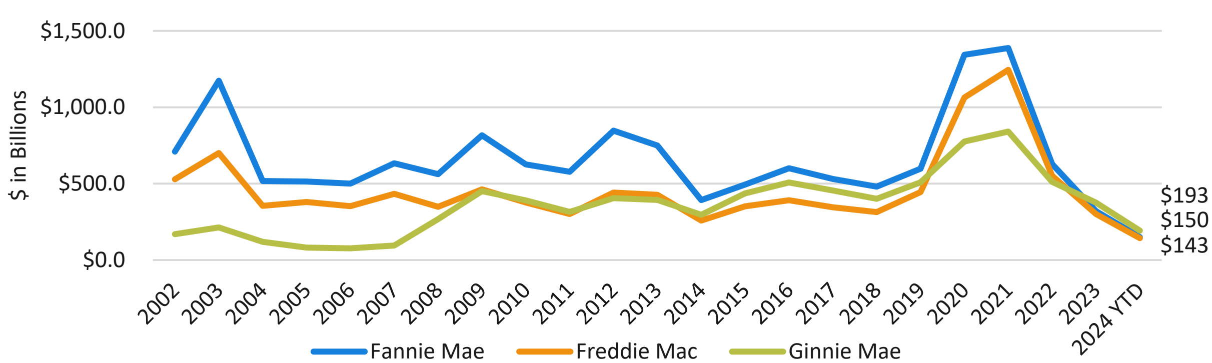
5.1 Gross Issuance of Agency MBS

In June 2024, total gross MBS issuance increased by approximately $4.5 billion MtM. Freddie Mac decreased $1.7 billion MtM, while Fannie Mae increased $6.7 billion MtM. Ginnie Mae saw a $0.4 billion MtM decrease in gross issuance.

Table 1. Agency Gross Issuance ($ in billions)

Issuance Year	Fannie Mae	Freddie Mac	GSE Total	Ginnie Mae	Total
2002	$710.0	$529.0	$1,238.9	$169.0	$1,407.9
2003	$1,174.4	$700.5	$1,874.9	$213.1	$2,088.0
2004	$517.5	$355.2	$872.6	$119.2	$991.9
2005	$514.1	$379.9	$894.0	$81.4	$975.3
2006	$500.2	$352.9	$853.0	$76.7	$929.7
2007	$633.0	$433.3	$1,066.2	$94.9	$1,161.1
2008	$562.7	$348.7	$911.4	$267.6	$1,179.0
2009	$817.1	$462.9	$1,280.0	$451.3	$1,731.3
2010	$626.6	$377.0	$1,003.5	$390.7	$1,394.3
2011	$578.2	$301.2	$879.3	$315.3	$1,194.7
2012	$847.6	$441.3	$1,288.8	$405.0	$1,693.8
2013	$749.9	$426.7	$1,176.6	$393.6	$1,570.2
2014	$392.9	$258.0	$650.9	$296.3	$947.2
2015	$493.9	$351.9	$845.7	$436.3	$1,282.0
2016	$600.5	$391.1	$991.6	$508.2	$1,499.8
2017	$531.3	$345.9	$877.3	$455.6	$1,332.9
2018	$480.9	$314.1	$795.0	$400.6	$1,195.6
2019	$597.4	$445.2	$1,042.6	$508.6	$1,551.2
2020	$1,343.4	$1,064.1	$2,407.5	$775.4	$3,182.9
2021	$1,388.0	$1,245.1	$2,633.1	$840.9	$3,474.0
2022	$628.3	$551.6	$1,179.9	$512.3	$1,692.2
2023	$320.3	$301.4	$621.8	$375.5	$997.3
2024 YTD	$150.1	$143.3	$293.4	$192.7	$486.1

Figure 21. Agency Gross Issuance

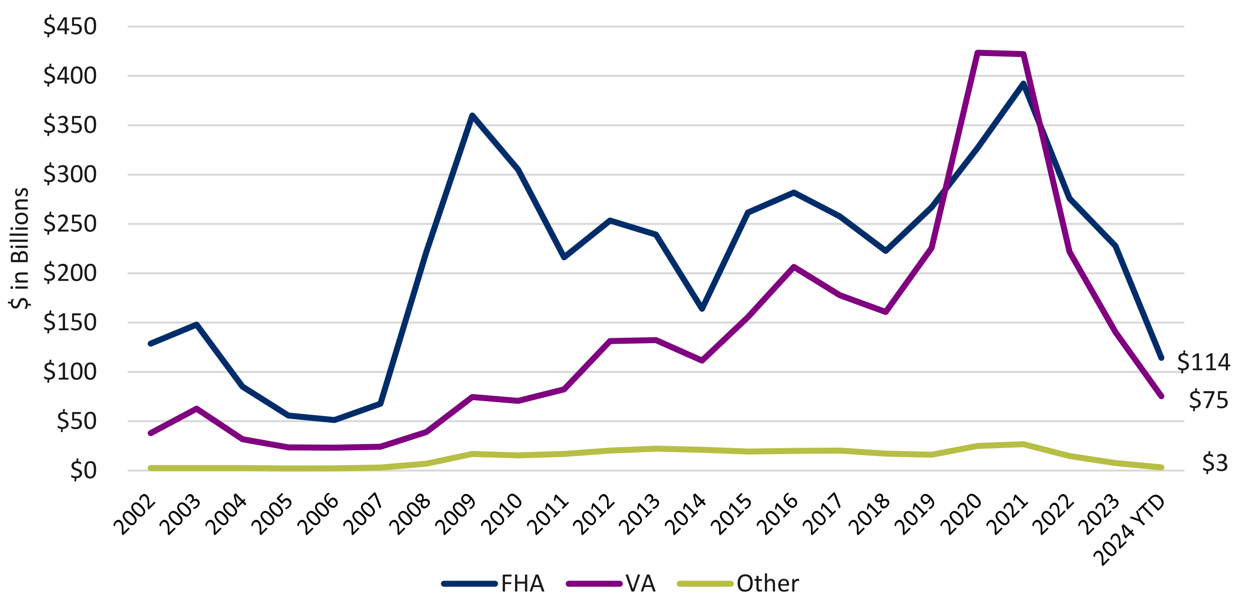


Source: Recursion. Note: Numbers are rounded to the nearest hundred million. For sums, like "GSE Total", the values are rounded after the exact underlying values are summed. As a result, some sums may not appear to match the sum of their rounded component values.

Table 2. Ginnie Mae Gross Issuance Collateral Composition ($ in billions)

Issuance Year	FHA	VA	Other	Total
2002	$128.6	$37.9	$2.5	$169.0
2003	$147.9	$62.7	$2.5	$213.1
2004	$85.0	$31.8	$2.5	$119.2
2005	$55.7	$23.5	$2.1	$81.4
2006	$51.2	$23.2	$2.3	$76.7
2007	$67.7	$24.2	$3.0	$94.9
2008	$221.7	$39.0	$6.9	$267.6
2009	$359.9	$74.6	$16.8	$451.3
2010	$304.9	$70.6	$15.3	$390.7
2011	$216.1	$82.3	$16.9	$315.3
2012	$253.4	$131.3	$20.3	$405.0
2013	$239.2	$132.2	$22.2	$393.6
2014	$163.9	$111.4	$21.0	$296.3
2015	$261.5	$155.6	$19.2	$436.3
2016	$281.8	$206.5	$19.9	$508.2
2017	$257.6	$177.8	$20.2	$455.6
2018	$222.6	$160.8	$17.2	$400.6
2019	$266.9	$225.7	$16.0	$508.6
2020	$327.0	$423.5	$24.9	$775.4
2021	$392.2	$422.1	$26.7	$840.9
2022	$275.8	$221.7	$14.8	$512.3
2023	$227.6	$140.3	$7.7	$375.5
2024 YTD	$114.2	$75.3	$3.2	$192.7

Figure 22. Ginnie Mae Gross Issuance



Source: Recursion. Note: Numbers are rounded to the nearest hundred million. For sums, like "Total", the values are rounded after the exact underlying values are summed. As a result, some sums may not appear to match the sum of their rounded component values.

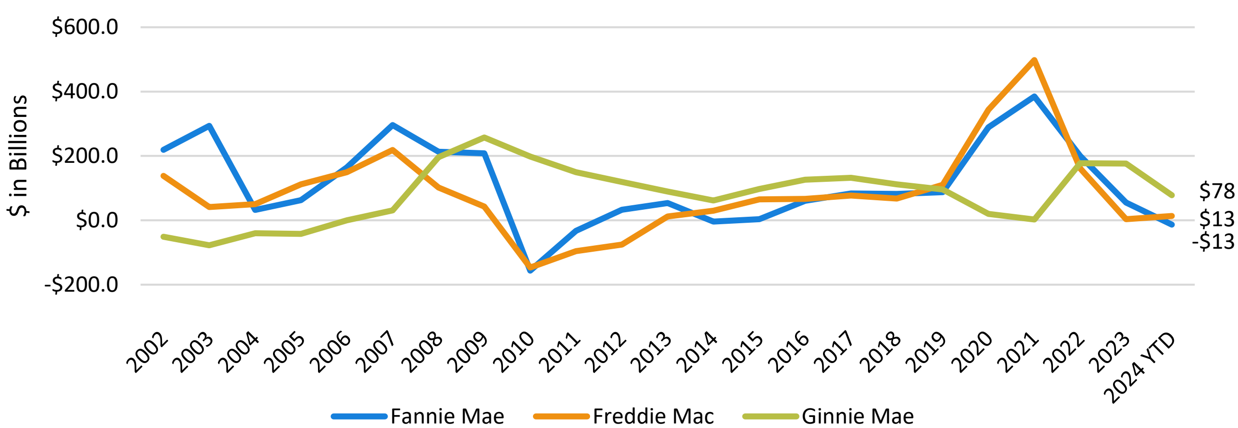
5.2 Net Issuance of Agency MBS

Agency Net Issuance as of month-end June was $77.9 billion for 2024 YTD, as shown in **Table 3.** Ginnie Mae has the largest net issuance YTD, totaling $77.8 billion as of month-end June 2024. Since 2022, FHA net issuance has outpaced VA net issuance, as shown in **Table 4 and Figure 24.**

Table 3. Agency Net Issuance ($ in billions)

Issuance Year	Fannie Mae	Freddie Mac	GSE Total	Ginnie Mae	Total
2002	$218.9	$138.3	$357.2	-$51.2	$306.1
2003	$293.7	$41.1	$334.9	-$77.6	$257.3
2004	$32.3	$50.2	$82.5	-$40.1	$42.4
2005	$62.5	$111.7	$174.2	-$42.2	$132.0
2006	$164.3	$149.3	$313.6	$0.2	$313.8
2007	$296.1	$218.8	$514.9	$30.9	$545.7
2008	$213.0	$101.8	$314.8	$196.4	$511.3
2009	$208.1	$42.5	$250.6	$257.4	$508.0
2010	-$156.4	-$146.8	-$303.2	$198.3	-$105.0
2011	-$32.6	-$95.8	-$128.4	$149.6	$21.2
2012	$32.9	-$75.3	-$42.4	$119.1	$76.8
2013	$53.5	$11.8	$65.3	$89.6	$154.9
2014	-$4.0	$30.0	$26.0	$61.6	$87.7
2015	$3.5	$65.0	$68.4	$97.3	$165.7
2016	$60.5	$66.8	$127.4	$126.1	$253.5
2017	$83.7	$77.0	$160.7	$132.3	$293.0
2018	$81.9	$67.6	$149.4	$112.0	$261.5
2019	$87.4	$110.3	$197.7	$95.7	$293.5
2020	$289.3	$343.5	$632.8	$19.9	$652.7
2021	$384.9	$498.0	$882.9	$2.7	$885.6
2022	$200.4	$161.5	$361.9	$177.4	$539.4
2023	$55.3	$3.3	$58.6	$176.3	$235.0
2024 YTD	-$13.3	$13.4	$0.1	$77.8	$77.9

Figure 23. Agency Net Issuance

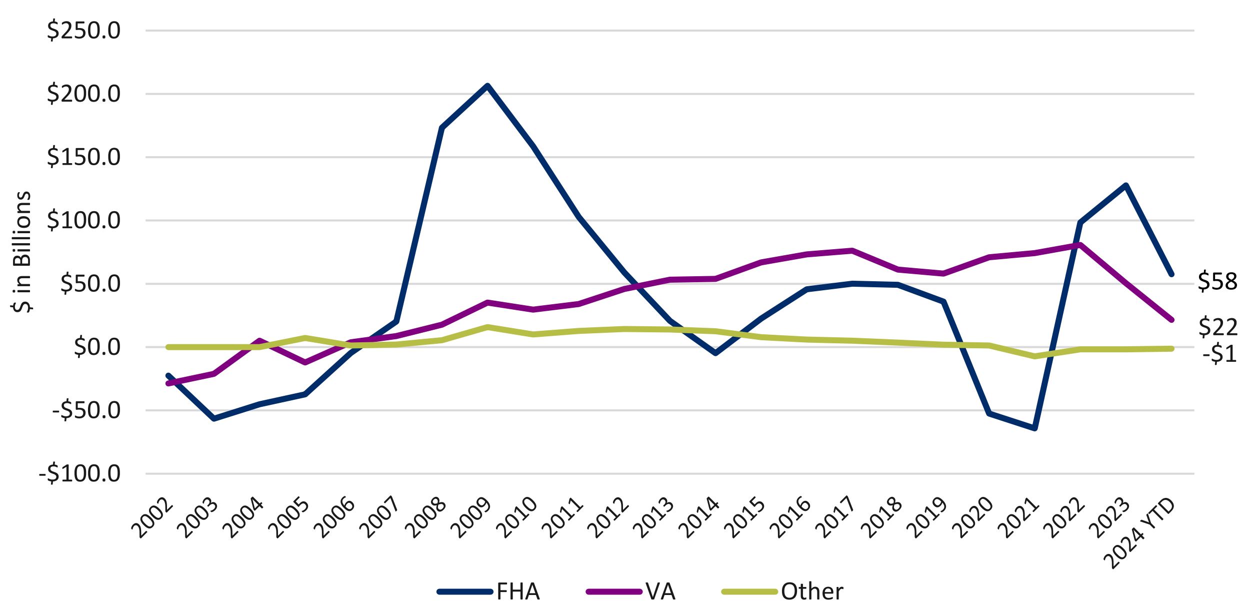


Source: Recursion. Note: Numbers are rounded to the nearest hundred million. For sums, like "GSE Total", the values are rounded after the exact underlying values are summed. As a result, some sums may not appear to match the sum of their rounded component values.

Table 4. Ginnie Mae Net Issuance Collateral Composition ($ in billions)

Issuance Year	FHA	VA	Other	Total
2002	-$22.5	-$28.7	$0.0	-$51.2
2003	-$56.5	-$21.1	$0.0	-$77.6
2004	-$45.2	$5.1	$0.0	-$40.1
2005	-$37.3	-$12.1	$7.2	-$42.2
2006	-$4.7	$3.8	$1.2	$0.2
2007	$20.2	$8.7	$2.0	$30.9
2008	$173.3	$17.7	$5.4	$196.4
2009	$206.4	$35.1	$15.8	$257.4
2010	$158.6	$29.6	$10.0	$198.3
2011	$102.8	$34.0	$12.8	$149.6
2012	$58.9	$45.9	$14.3	$119.1
2013	$20.7	$53.3	$13.9	$87.9
2014	-$4.8	$53.9	$12.5	$61.6
2015	$22.5	$66.9	$7.9	$97.3
2016	$45.6	$73.2	$6.0	$124.9
2017	$50.1	$76.1	$5.0	$131.2
2018	$49.2	$61.2	$3.5	$113.9
2019	$35.9	$58.0	$1.9	$95.7
2020	-$52.5	$71.0	$1.3	$19.9
2021	-$64.2	$74.2	-$7.3	$2.7
2022	$98.5	$80.7	-$1.7	$177.4
2023	$127.7	$50.4	-$1.8	$176.3
2024 YTD	$57.5	$21.6	-$1.3	$77.8

Figure 24. Ginnie Mae Net Issuance



Source: Recursion. Note: Numbers are rounded to the nearest hundred million. For sums, like "Total", the values are rounded after the exact underlying values are summed. As a result, some sums may not appear to match the sum of their rounded component values.

5.3 Monthly Issuance Breakdown

Agency net issuance for the month of June was approximately $23.1 billion, which represents an approximate $7.8 billion increase MtM. Ginnie Mae net issuance was $15.0 billion in June, a $0.5 billion increase from May. Ginnie Mae's $35.3 billion of gross issuance in June, seen in **Table 5**, was approximately $4.0 billion above the average monthly issuance in 2023.

Table 5. Agency Issuance ($ in billions)

	Agency Gross Issuance Amount (in $ Billions)					Agency Net Issuance Amount (in $ Billions)				
Month	Fannie Mae	Freddie Mac	Ginnie Mae	GSEs	Total	Fannie Mae	Freddie Mac	Ginnie Mae	GSEs	Total
Jun-21	$108.5	$91.2	$67.7	$199.7	$267.4	$34.0	$33.7	$2.6	$67.8	$70.4
Jul-21	$95.4	$84.6	$69.0	$180.0	$249.0	$27.6	$31.9	-$1.4	$59.5	$58.0
Aug-21	$104.8	$109.3	$66.6	$214.1	$280.8	$27.5	$48.5	$1.4	$76.1	$77.4
Sep-21	$102.9	$105.3	$68.0	$208.3	$276.3	$26.4	$45.6	$3.1	$72.0	$75.1
Oct-21	$105.1	$102.7	$62.5	$207.8	$270.3	$34.6	$46.9	$1.9	$81.5	$83.4
Nov-21	$93.6	$81.1	$60.8	$174.7	$235.5	$29.5	$34.9	$3.1	$64.4	$67.6
Dec-21	$93.7	$85.4	$58.9	$179.1	$238.0	$33.8	$34.4	$5.7	$68.3	$73.9
Jan-22	$93.1	$85.9	$59.0	$179.0	$238.0	$45.6	$37.6	$14.0	$83.2	$97.3
Feb-22	$73.3	$64.6	$49.0	$137.9	$186.9	$27.8	$22.7	$9.7	$50.5	$60.2
Mar-22	$76.8	$62.9	$47.4	$139.7	$187.1	$22.6	$23.1	$6.9	$45.7	$52.6
Apr-22	$65.3	$53.5	$47.8	$118.8	$166.6	$19.5	$17.7	$13.2	$37.2	$50.4
May-22	$54.7	$43.7	$45.0	$98.4	$143.4	$13.6	$12.5	$15.5	$26.1	$41.6
Jun-22	$54.5	$42.0	$43.6	$96.5	$140.1	$14.8	$10.7	$16.0	$25.5	$41.5
Jul-22	$46.8	$40.3	$42.4	$87.1	$129.5	$12.1	$14.4	$18.0	$26.5	$44.5
Aug-22	$39.8	$46.3	$40.3	$86.1	$126.4	$4.8	$19.8	$16.2	$24.6	$40.8
Sep-22	$39.3	$38.2	$39.9	$77.5	$117.4	$7.6	$13.9	$18.3	$21.5	$39.8
Oct-22	$34.1	$26.1	$35.5	$60.2	$95.7	$5.8	$4.7	$17.3	$10.5	$27.8
Nov-22	$25.7	$22.7	$33.6	$48.4	$82.0	$0.3	$3.5	$18.3	$3.8	$22.1
Dec-22	$24.9	$25.5	$28.8	$50.4	$79.2	$0.2	$6.6	$14.0	$6.8	$20.8
Jan-23	$25.7	$22.4	$27.1	$48.1	$75.2	$3.4	$5.3	$14.1	$8.7	$22.8
Feb-23	$18.9	$16.5	$22.7	$35.4	$58.1	-$4.4	-$1.4	$8.6	-$5.8	$2.8
Mar-23	$23.6	$19.2	$26.2	$42.8	$69.0	-$4.4	-$2.4	$8.7	-$6.8	$1.9
Apr-23	$27.7	$21.0	$31.6	$48.7	$80.3	$1.4	$0.6	$15.0	$2.0	$17.0
May-23	$30.4	$29.0	$32.6	$59.4	$92.0	$0.6	$6.0	$13.5	$6.6	$20.1
Jun-23	$33.5	$32.9	$37.5	$66.4	$103.9	$3.1	$9.3	$17.8	$12.4	$30.2
Jul-23	$31.7	$27.9	$36.3	$59.6	$95.9	$3.6	$5.9	$18.0	$9.5	$27.5
Aug-23	$27.8	$27.9	$36.5	$55.7	$92.2	-$1.5	$4.8	$17.2	$3.3	$20.5
Sep-23	$28.1	$31.1	$35.1	$59.2	$94.3	$1.9	$10.7	$18.6	$12.6	$31.2
Oct-23	$28.2	$24.5	$32.1	$52.7	$84.8	$2.6	$4.5	$17.0	$7.1	$24.1
Nov-23	$23.8	$25.3	$30.5	$49.1	$79.5	-$0.1	$6.5	$15.2	$6.4	$21.6
Dec-23	$20.9	$23.9	$27.3	$44.8	$72.1	-$2.9	$5.4	$12.6	$2.5	$15.0
Jan-24	$23.3	$17.7	$27.1	$41.1	$68.2	-$0.3	-$0.6	$10.4	-$0.9	$9.5
Feb-24	$20.5	$17.7	$29.6	$38.1	$67.7	-$4.2	-$1.7	$11.3	-$5.9	$5.5
Mar-24	$21.3	$25.3	$31.2	$46.6	$77.8	-$5.5	$3.9	$12.4	-$1.7	$10.7
Apr-24	$25.0	$26.3	$33.8	$51.4	$85.2	-$3.8	$3.4	$14.1	-$0.3	$13.8
May-24	$26.6	$29.0	$35.7	$55.6	$91.4	-$3.7	$4.5	$14.5	$0.7	$15.3
Jun-24	*$33.3*	*$27.3*	*$35.3*	*$60.6*	*$95.9*	*$4.2*	*$3.9*	*$15.0*	*$8.1*	*$23.1*

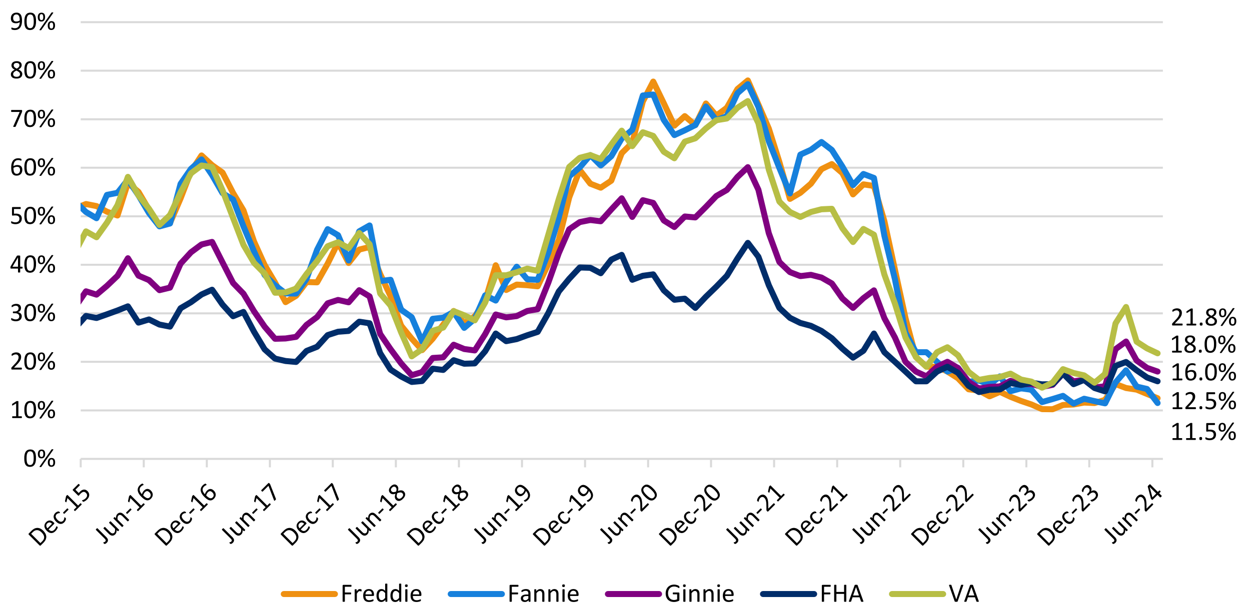
Sources: Beginning May 2021, data for Gross and Net Issuance was sourced from Fannie Mae, Freddie Mac, and Ginnie Mae loan level disclosure files. Net issuance is defined here as the difference between prior period UPB and current period UPB. Data as of June 2024. Beginning with the October 2021 GMAR, the Fannie Mae and Freddie Mac net issuance data is updated to reflect the current UPB of the portfolios. July 2021 through June 2024 GMAR net issuance data reflect the UPB at security issuance for Fannie Mae and Freddie Mac. Note: Numbers are rounded to the nearest hundred million.

5.4 Percent Refi at Issuance – Single-Family

Refinance activity decreased by approximately 3.9% MoM for Ginnie Mae as of month-end June 2024.

- Freddie Mac's refinance percentage decreased to 12.5% in June, down from 13.4% in May.
- Fannie Mae's refinance percentage decreased to 11.5% in June, down from 14.4% in May.
- Ginnie Mae's refinance percentage decreased to 18.0% in June, down from 18.7% in May.
- FHA's refinance percentage decreased to 16.0% in June, down from 16.8% in May.
- VA's refinance percentage decreased to 21.8% in June, down from 22.8% in May.

Figure 25. Percent Refinance at Issuance – Single-Family



Source: Recursion. Note: Data as of June 2024.

6 AGENCY SINGLE-FAMILY MBS OUTSTANDING

6.1 Outstanding Single-Family Agency MBS

As of month-end June 2024, outstanding Single-Family MBS in the Agency market totaled $8.919 trillion: 39.9% Fannie Mae, 40.0% Freddie Mac, and 26.8% Ginnie Mae MBS. Over the past twelve months, Freddie Mac's total outstanding MBS increased by approximately 1.8%, and Ginnie Mae's increased by 8.2%. Fannie Mae's total outstanding MBS decreased by 0.3%. Fannie Mae's outstanding MBS remains larger than Freddie Mac's and Ginnie Mae's outstanding MBS by approximately $600 billion and $1.2 trillion, respectively.

Ginnie Mae's MBS collateral composition has changed over time as shown in **Figure 27.** In June 2019, 59.4% of Ginnie Mae's outstanding collateral was FHA and 34.7% was VA. As of month-end June 2024, FHA collateral comprised 55.0% of Ginnie Mae MBS outstanding, and VA collateral comprised 40.7% of Ginnie Mae MBS outstanding.

Figure 26. Outstanding Agency Mortgage-Backed Securities

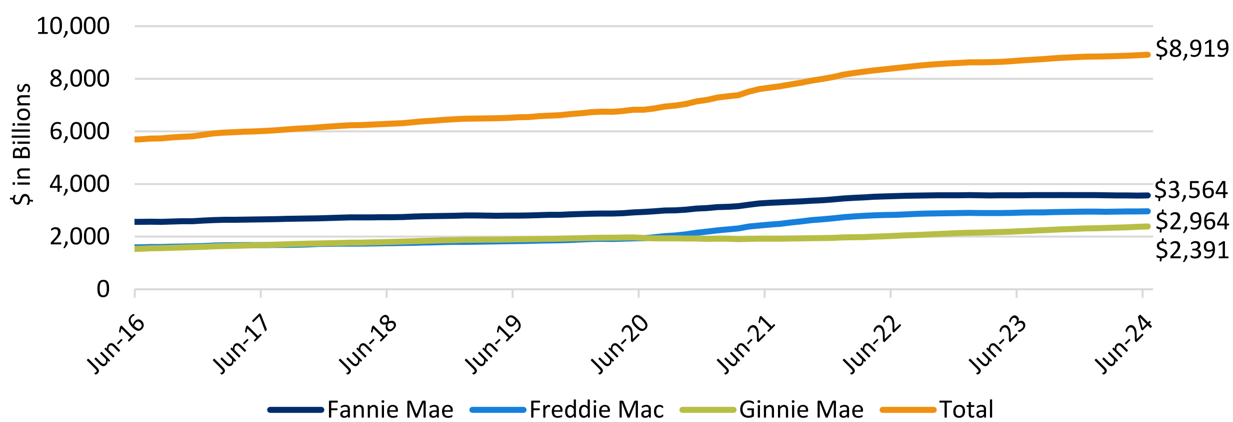
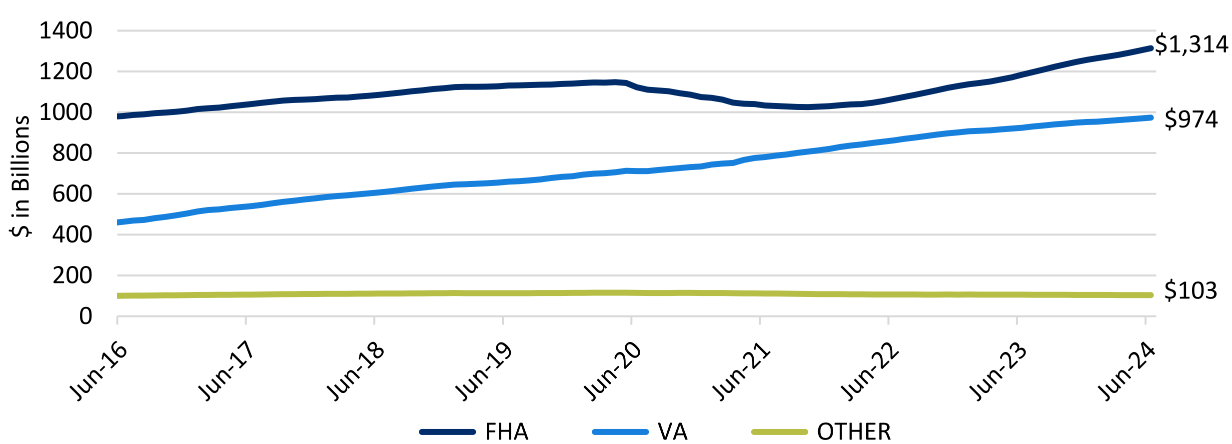


Figure 27. Composition of Outstanding Ginnie Mae Mortgage-Backed Securities



Source: Recursion. Note: Data as of June 2024. Note: Data rounded to nearest billion; GNMA composition may not add up to total outstanding amount due to rounding.

6.2 Origination Volume and Share Over Time

First lien origination volume increased in Q1 2024, with approximately $325 billion in originations, which represents an increase in issuance of 8.3% from Q4 2023. Ginnie Mae's share of total origination decreased from 28.5% to 27.0% in Q1 2024, while portfolio origination increased from 19.8% to 29.9%.

Figure 28. First Lien Origination Volume

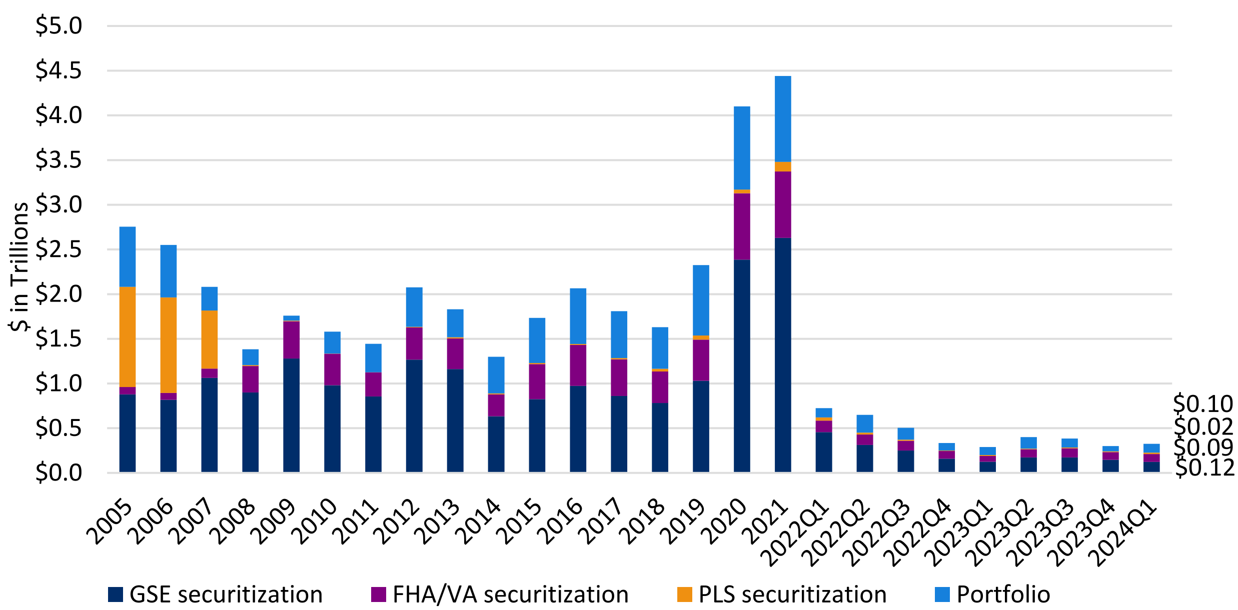
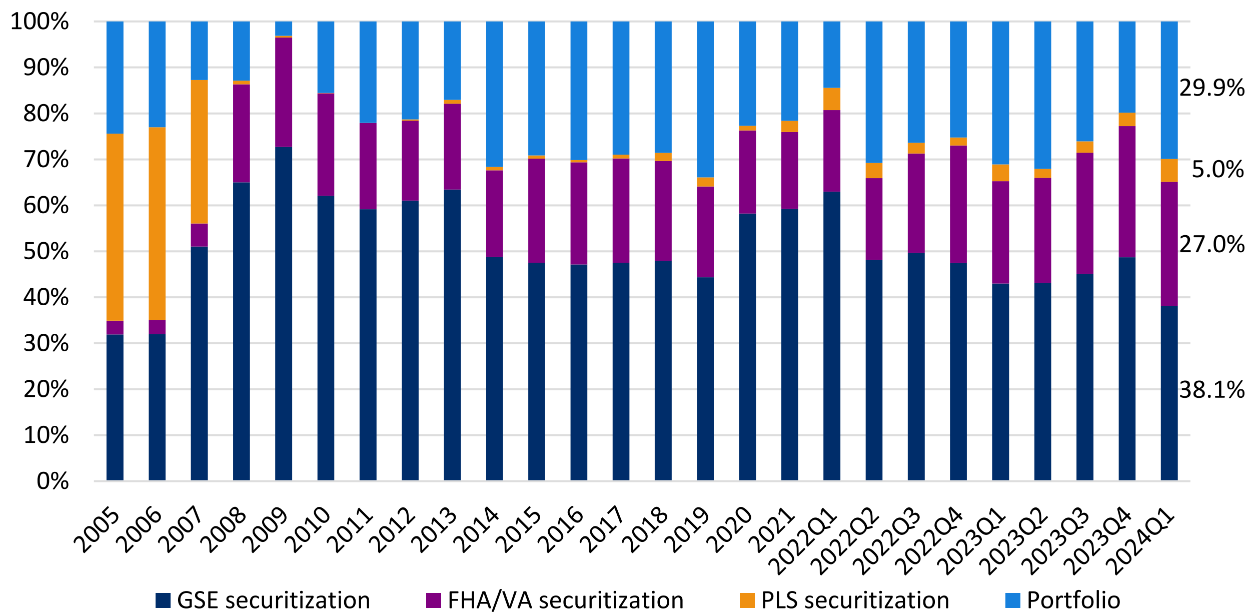


Figure 29. First Lien Origination Share



Source: Inside Mortgage Finance. Note: Data as of Q1 2024.

6.3 Agency Issuance and Agency Outstanding by State

Ginnie Mae MBS represents approximately 38% of new agency issuance over the past year, roughly 11% higher than Ginnie Mae's 27% share of agency outstanding. The share of Ginnie Mae's new agency issuance varies across states, with the largest share by UPB being in both Mississippi and Alaska (60%) and the smallest in the District of Columbia (21%). The highest Ginnie Mae outstanding share is in Mississippi (50%) and the lowest in the District of Columbia (14%).

Table 6. Agency Issuance Breakdown by State

	Agency Issuance (past 1 year)				Agency Outstanding (past 1 year)			
National	GNMA Share by UPB	GNMA Loan Count	GNMA Avg. Loan Size (000)	GSE Avg. Loan Size (000)	GNMA Share by UPB	GNMA Loan Count	GNMA Avg. Loan Size (000)	GSE Avg. Loan Size (000)
	38%	**1,502,076**	**311.46**	**311.87**	**27%**	**11,346,019**	**213.37**	**211.61**
AK	60%	3,805	367.56	315.74	49%	37,865	264.72	218.71
AL	54%	37,410	244.09	250.20	43%	252,103	166.36	178.68
AR	47%	19,404	210.72	242.18	40%	143,177	139.76	163.38
AZ	41%	47,521	351.78	349.31	27%	299,538	236.24	228.92
CA	33%	86,593	491.48	484.00	18%	728,641	339.59	317.68
CO	37%	32,023	432.20	417.33	25%	226,493	305.94	279.72
CT	31%	10,663	296.99	304.85	26%	109,346	206.34	208.58
DC	21%	1,014	549.28	457.17	14%	9,466	394.52	345.54
DE	38%	6,331	298.25	313.55	32%	54,673	210.02	212.71
FL	44%	148,985	332.13	325.44	34%	925,669	227.91	217.13
GA	46%	79,637	290.03	318.94	35%	528,372	193.03	211.00
HI	45%	3,397	652.18	535.75	33%	34,856	474.49	356.20
IA	32%	11,422	204.70	209.99	24%	86,499	140.00	148.02
ID	37%	9,713	357.44	337.47	25%	68,100	234.43	225.63
IL	28%	43,522	229.46	261.91	23%	383,046	164.10	179.34
IN	39%	39,547	215.07	224.82	32%	292,309	142.20	153.18
KS	39%	13,116	215.76	234.47	30%	99,326	146.51	164.47
KY	48%	24,878	218.33	228.49	36%	174,304	150.77	156.65
LA	54%	26,494	217.91	239.91	42%	213,419	161.54	176.03
MA	27%	13,430	416.30	413.96	17%	119,301	293.22	266.97
MD	44%	33,638	371.29	356.88	35%	305,031	270.44	248.45
ME	35%	4,621	277.96	295.59	27%	39,245	184.66	193.07
MI	28%	33,666	207.85	229.27	21%	285,900	139.02	156.88
MN	24%	17,069	276.48	290.55	18%	163,428	187.77	198.55
MO	38%	32,765	221.15	236.16	30%	253,482	148.74	163.12
MS	60%	17,466	219.76	227.98	50%	129,359	150.66	161.45
MT	35%	3,881	348.71	334.16	25%	33,113	219.67	217.82
NC	41%	67,212	284.76	310.71	31%	439,730	188.66	206.03
ND	37%	2,061	261.63	256.06	25%	17,417	196.24	181.76
NE	36%	8,159	245.37	241.26	28%	66,655	157.46	161.89
NH	29%	4,256	352.97	341.61	23%	39,220	233.93	216.88
NJ	30%	26,517	362.90	378.90	22%	240,931	248.86	254.60
NM	50%	12,544	270.89	281.52	40%	99,753	175.85	180.44
NV	45%	20,823	377.10	353.93	32%	143,584	261.88	238.29
NY	26%	29,135	329.79	351.67	21%	315,873	217.35	248.43
OH	36%	54,070	209.24	217.59	30%	440,649	136.60	150.49
OK	50%	25,685	223.23	233.04	43%	196,834	148.54	164.24
OR	30%	14,255	379.53	384.82	20%	116,596	263.78	254.40
PA	30%	41,105	223.17	264.98	26%	400,337	152.63	182.60
RI	43%	4,247	370.89	337.94	32%	37,535	244.44	213.17
SC	46%	41,168	280.57	280.37	36%	254,489	194.95	194.87
SD	43%	4,070	268.04	255.51	31%	30,427	181.26	177.25
TN	43%	43,810	292.44	305.55	33%	284,236	189.77	208.72
TX	41%	174,073	299.19	326.10	33%	1,187,266	196.70	218.15
UT	36%	16,272	412.29	406.57	21%	103,894	279.93	266.32
VA	47%	53,484	363.03	355.93	37%	462,108	263.36	249.57
VI	24%	67	417.06	436.97	24%	807	265.32	306.41
VT	23%	1,218	272.28	286.95	19%	12,428	184.71	181.47
WA	32%	28,853	432.14	440.37	22%	242,197	296.15	290.89
WI	27%	15,546	237.06	246.58	18%	128,017	162.10	162.83
WV	55%	8,046	215.71	201.07	46%	63,191	149.38	145.04
WY	49%	3,389	299.61	285.04	36%	25,784	212.57	201.08

Source: Recursion. Note: Outstanding balance based on loan balance as of June 2024. Values above are based on loan level disclosure data, thus excluding loan balances for first 6 months that loans are in a pool. This accounts for the difference in share of outstanding MBS represented above & in [Outstanding Single-Family Agency MBS](#).

6.4 Outstanding Ginnie Mae MBS Volume by Coupon and Vintage Over Time

As of month-end June 2024, the weighted average coupon (WAC) on outstanding Ginnie Mae MBS increased from 3.65% in May 2024 to 3.68% as seen in **Figure 30**. **Figure 31** illustrates that loans originated since 2019 account for approximately 83% of Ginnie Mae MBS collateral outstanding.

Figure 30. Outstanding Ginnie Mae MBS Balance, by Coupon

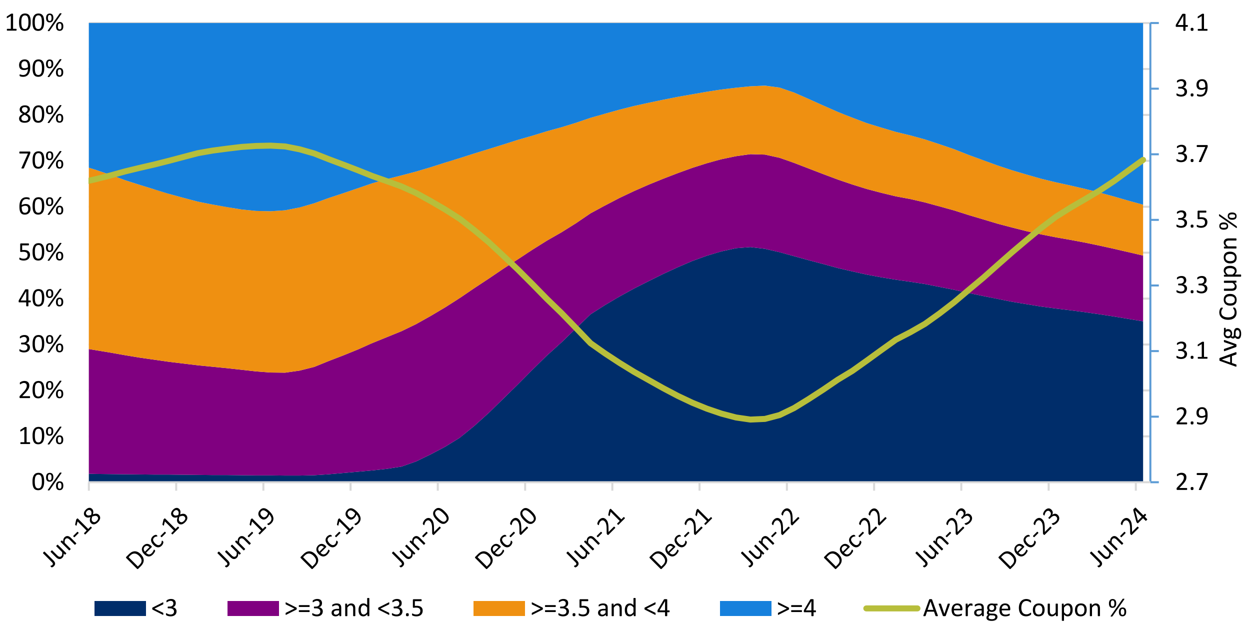
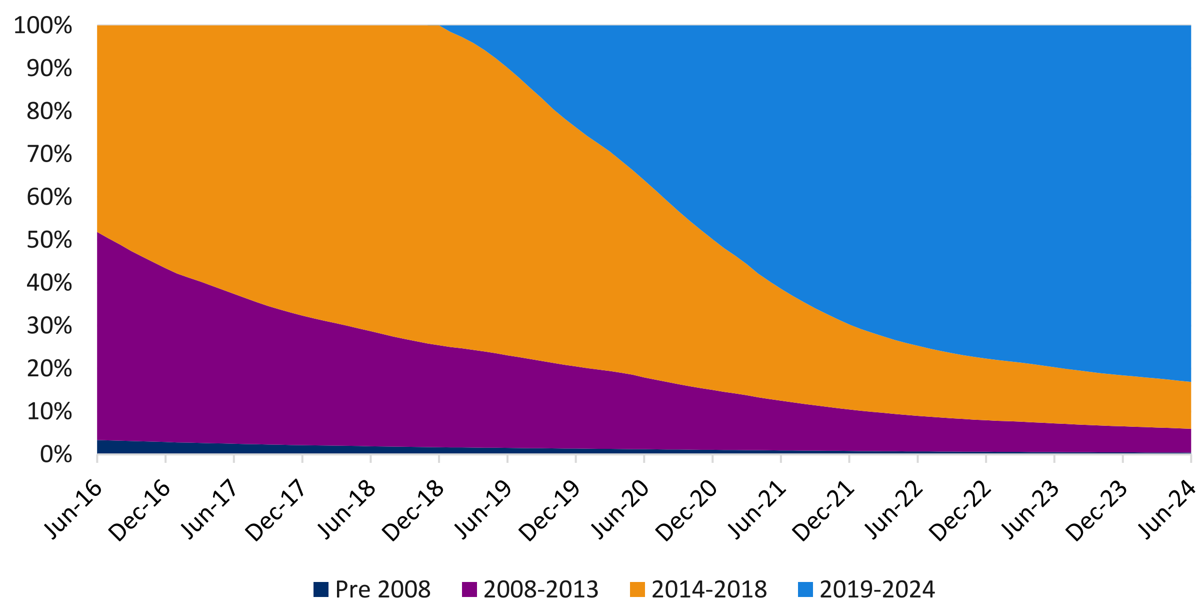


Figure 31. Outstanding Ginnie Mae MBS Balance, by Vintage



Source: Recursion. Note: June 2024 data points reflect the current composition of balances by coupon and vintage; factor data is not applied to prior date balance compositions. Average coupon is weighted by remaining principal balance.

7 AGENCY REMIC SECURITIES

7.1 Monthly REMIC Demand for Ginnie Mae MBS

Ginnie Mae Real Estate Mortgage Investment Conduit (REMIC) issuance volume for the month of June was approximately $10.4 billion. This represents a 2.03% MoM decrease from $10.6 billion in May 2024, and a 35.15% increase YoY from $7.7 billion in June 2023. Approximately $377.1 million of the June 2024 issuance volume were Multifamily MBS having coupons over 4.0%, and approximately $9.1 billion were Single-Family MBS having coupons over 5.5%. Roughly $245.0 million of previously securitized REMICs were re-securitized into new REMIC deals in June.

Figure 32. Ginnie Mae Single-Family and Multifamily REMIC Issuance ($B)

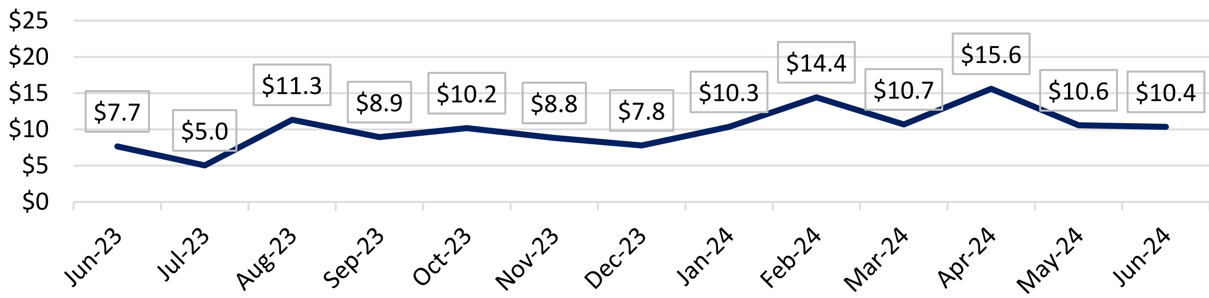


Table 7. June 2024 REMIC Issuance Breakdown

Net Coupon (%)	*Principal ($MM) for MBS Deals*	*Principal ($MM) for Re-REMIC Deals*	*Principal % for MBS Deals*	*Principal % for Re-REMIC Deals*
Multifamily				
<2.01	-	20.5	-	3.1%
2.01-3.01	-	5.7	-	0.9%
3.01-4.01	239.6	10.0	36.7%	1.5%
4.01-5.01	177.7	-	27.2%	-
5.01-6.01	199.4	-	30.5%	-
Subtotal	**616.7**	**36.1**	**94.5%**	**5.5%**
Single-Family				
<2.01	17.9	-	0.2%	-
2.01-2.51	196.2	-	2.0%	-
2.51-3.01	119.9	-	1.2%	-
4.01-4.51	-	91.1	-	0.9%
4.51-5.01	-	53.6	-	0.6%
5.01-5.51	53.3	64.2	0.5%	0.7%
5.51-6.01	2,236.2	-	23.1%	-
6.01-6.51	5,136.5	-	52.9%	-
6.51-7.01	1,416.4	-	14.6%	-
>7.01	315.4	-	3.3%	-
Subtotal	**9,491.8**	**208.9**	**95.2%**	**4.8%**
Grand Total [5]	**10,108.5**	**245.0**	**97.63%**	**2.37%**

Source: Ginnie Mae Disclosure Files

[5] *Totals may not sum due to rounding. Percents calculated using weighted average.*

7.2 REMIC Market Snapshot

- In June 2024, Ginnie Mae and Freddie Mac saw increases in their single-family REMIC issuance collateral coupon of 6 basis points and 5 basis points, respectively. Fannie Mae saw a decrease of 42 basis points in their single-family REMIC issuance collateral coupon.
- In June 2024, Freddie Mac saw an increase in their multifamily REMIC issuance collateral coupon of 4 basis points. Ginnie Mae saw a decrease of 26 basis points in their multifamily REMIC issuance collateral coupon. Fannie Mae did not issue a multifamily REMIC in either May or June
- In June 2024, Ginnie Mae's total single-family, multifamily, and HMBS REMIC issuance totaled $10.7 billion, a 2.1% or $231 million decrease month-over-month.
- In June 2024, total single-family and multifamily issuance across the three Agencies increased 5.7% or $1.3 billion from May.

Figure 33. June 2024 REMIC Issuance by Agency ($B)

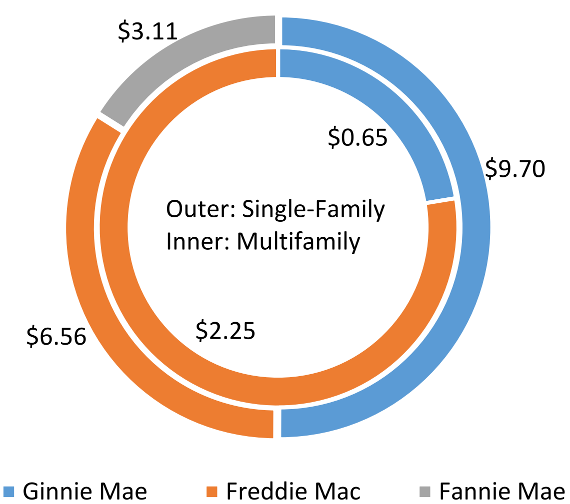


Table 8. Monthly REMIC Issuance by Agency

	SF REMIC Issuance Volume ($B)	% of SF REMIC Issuance Volume	Number of SF REMIC Transactions	MF REMIC Issuance Volume ($B)	% of MF REMIC Issuance Volume	Number of MF REMIC Transactions
Ginnie Mae	$9.70	50.1%	10	$0.65	22.4%	4
Freddie Mac	$6.56	33.9%	9	$2.25	77.6%	5
Fannie Mae	$3.11	16.0%	9	$0.00	0.0	0
Total [6]	**$19.37**	**100.0%**	**28**	**$2.90**	**100.0%**	**9**

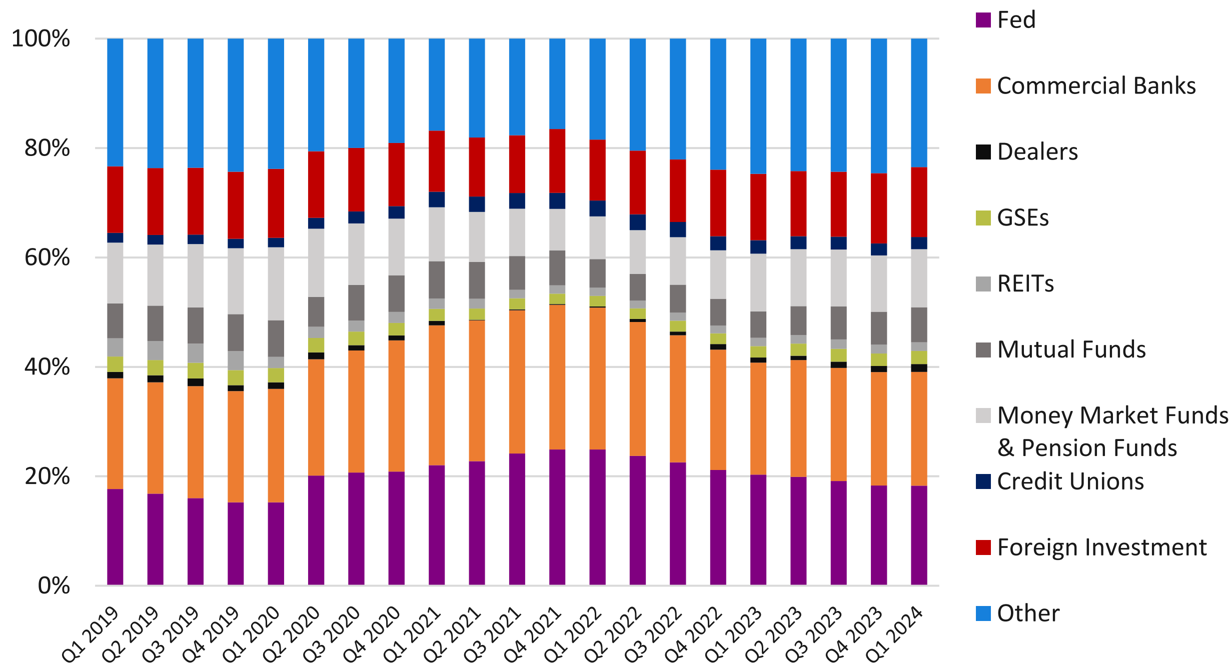
Source: Relay & FDS files posted to Ginnie Mae, Fannie Mae, and Freddie Mac

[6] *Totals may not sum due to rounding.*

8 MBS OWNERSHIP

In Q1 2024, the largest holders of Agency debt (Agency MBS plus Agency notes and bonds) included commercial banks (21%), the Federal Reserve (18%), and foreign investors (13%). The Federal Reserve's share roughly held even quarter over quarter (QoQ). Out of the approximately $2.53 trillion in holdings as of the end of June 2024, roughly $1.95 trillion was held by the top 25 domestic banks per **Table 9** below.

Figure 34. Who Owns Total Agency Debt?



Source: Federal Reserve Flow of Funds. Note: The "other" category includes primarily life insurance companies, state and local governments, households, and nonprofits. Data as of Q1 2024.

8.1 Commercial Bank Holdings of Agency MBS

Table 9. Commercial Bank Holdings of Agency MBS

	Commercial Bank Holdings ($Billions)								
	Oct-23	**Nov-23**	**Dec-23**	**Jan-24**	**Feb-24**	**Mar-24**	**Apr-24**	**May-24**	**Jun-24**
Largest 25 Domestic Banks	1,921.3	1,927.7	1,907.9	1,915.6	1,920.4	1,919.6	1,912.7	1,913.1	1,946.1
Small Domestic Banks	578.1	572.8	581.8	581.0	579.4	583.4	591.3	586.6	591.0
Foreign Related Banks	26.7	30.1	27.6	29.1	34.1	30.7	29.5	30.4	31.2
Total, Seasonally Adjusted	**2,526.1**	**2,530.6**	**2,517.3**	**2,525.7**	**2,533.9**	**2,533.7**	**2,533.5**	**2,530.1**	**2,568.3**

Source: Federal Reserve Bank. Note: Small domestic banks include all domestically chartered commercial banks not included in the top 25. Data as of June 2024.

8.2 Bank and Thrift Residential MBS Holdings

Total MBS holdings at banks and thrifts decreased approximately 1.3% from Q4 2023 to Q1 2024. Although total MBS holdings at banks and thrifts decreased in Q1 2024, GNMA PT and Agency CMO holdings increased 1.4% QoQ. GNMA PT holdings also marked the largest increase over the past year, increasing 8.7% from Q1 of 2023. Out of the $2.23 trillion in MBS holdings at banks and thrifts as of Q1 2024, $1.31 trillion were GSE pass-throughs and $420 billion were Ginnie Mae pass-throughs. Private MBS holdings showed the largest percentage decrease of 26.5% from Q4 2023 to Q1 2024 and 47.7% from Q1 2023 to Q1 2024.

Table 10. Bank and Thrift Residential MBS Holdings

	All Banks & Thrifts ($ in billions)						All MBS ($ in billions)	
Year	Total	GSE PT	GNMA PT	Private MBS	Agency CMO	Private CMO	Banks	Thrifts
2002	$832.5	$376.1	$101.5	$20.1	$245.0	$89.9	$702.4	$209.7
2003	$899.9	$461.7	$75.1	$19.4	$236.8	$106.9	$775.7	$206.5
2004	$1,011.0	$572.4	$49.3	$20.5	$208.2	$160.6	$879.8	$234.3
2005	$1,033.8	$566.8	$35.9	$29.1	$190.7	$211.2	$897.1	$242.7
2006	$1,124.5	$628.5	$31.1	$42.3	$179.2	$243.3	$983.5	$223.4
2007	$1,149.1	$559.8	$31.6	$26.3	$174.3	$357.2	$971.4	$264.6
2008	$1,218.8	$638.8	$100.4	$12.9	$207.7	$259.0	$1,088.0	$211.7
2009	$1,275.5	$629.2	$155.0	$7.5	$271.2	$212.6	$1,161.7	$184.1
2010	$1,433.4	$600.8	$163.1	$7.3	$397.3	$181.6	$1,233.3	$200.1
2011	$1,566.9	$627.4	$214.8	$3.3	$478.8	$167.7	$1,359.2	$207.6
2012	$1,578.9	$707.9	$242.5	$17.2	$469.3	$138.7	$1,430.6	$148.2
2013	$1,506.6	$706.0	$231.9	$26.1	$432.6	$114.2	$1,363.7	$142.9
2014	$1,539.3	$733.7	$230.5	$20.3	$449.9	$104.9	$1,409.8	$129.5
2015	$1,643.6	$823.1	$292.3	$11.1	$445.4	$71.6	$1,512.7	$130.9
2016	$1,736.9	$930.7	$323.5	$7.4	$419.8	$55.6	$1,576.1	$160.9
2017	$1,844.1	$1,010.8	$367.7	$4.6	$414.0	$47.0	$1,672.9	$171.2
2018	$1,815.0	$980.6	$380.4	$2.7	$416.6	$34.7	$1,635.0	$180.0
1Q19	$1,845.0	$1,001.6	$383.5	$3.1	$422.2	$34.7	$1,673.4	$171.6
2Q19	$1,907.1	$1,037.9	$408.0	$2.9	$421.6	$36.8	$1,727.7	$179.5
3Q19	$1,975.8	$1,079.8	$427.1	$4.7	$428.7	$35.4	$1,786.7	$189.0
2019	$1,985.4	$1,089.4	$426.9	$4.6	$429.0	$35.5	$1,796.3	$189.1
1Q20	$2,107.7	$1,173.4	$448.3	$4.7	$443.7	$37.6	$1,907.0	$200.6
2Q20	$2,195.2	$1,228.9	$441.1	$5.0	$478.1	$42.1	$1,946.4	$248.8
3Q20	$2,310.4	$1,349.5	$415.2	$4.4	$499.5	$41.8	$2,040.6	$269.8
4Q20	$2,520.9	$1,537.5	$390.7	$3.9	$548.7	$40.1	$2,210.2	$310.7
1Q21	$2,690.9	$1,713.8	$374.6	$4.9	$555.4	$42.3	$2,350.9	$340.0
2Q21	$2,781.9	$1,825.8	$352.8	$4.8	$555.5	$43.1	$2,431.8	$350.2
3Q21	$2,858.6	$1,886.8	$353.1	$4.2	$565.5	$49.0	$2,487.3	$371.3
4Q21	$2,906.0	$1,915.5	$352.7	$4.4	$578.0	$55.4	$2,529.8	$376.3
1Q22	$2,799.2	$1,817.7	$368.4	$4.0	$548.6	$60.4	$2,476.1	$323.1
2Q22	$2,623.8	$1,665.9	$369.2	$3.8	$523.0	$61.8	$2,321.2	$302.6
3Q22	$2,431.6	$1,520.2	$352.0	$3.3	$496.7	$59.3	$2,156.2	$275.4
4Q22	$2,423.9	$1,505.6	$371.9	$4.0	$481.7	$60.6	$2,154.5	$269.4
1Q23	$2,356.9	$1,441.2	$386.3	$4.1	$465.2	$60.1	$2,088.3	$268.7
2Q23	$2,280.4	$1,389.4	$383.5	$3.0	$446.2	$58.3	$2,022.5	$257.9
3Q23	$2,137.4	$1,289.3	$372.7	$2.6	$416.8	$55.9	$1,892.9	$244.4
4Q23	$2,260.5	$1,351.1	$414.2	$2.9	$434.9	$57.3	$2,008.9	$251.6
1Q24	$2,231.8	$1,312.1	$420.0	$2.2	$440.8	$56.7	$1,985.1	$246.7
Change:								
4Q23-1Q24	-1.3%	-2.9%	1.4%	-26.5%	1.4%	-1.1%	-1.2%	-1.9%
1Q23-1Q24	-5.3%	-9.0%	8.7%	-47.7%	-5.2%	-5.6%	-4.9%	-8.2%

Note: Data represent fair value of assets in held-to-maturity and available-for-sale account. Thrift MBS holdings prior to June 2009 include commercial MBS. Source: Inside Mortgage Finance. Notes: Data as of Q1 2024.

Table 11. Top 20 Bank and Thrift Residential MBS Investors ($ in millions)

Rank	Institution	Total	GSE PT	GNMA PT	Agency CMO	Non-Agency	Share
1	Bank of America Corporation	$410,443	$337,753	$66,098	$6,373	$219	18.39%
2	Wells Fargo & Company	$242,951	$147,399	$93,270	$2,222	$60	10.89%
3	JPMorgan Chase & Co.	$143,559	$67,995	$63,692	$483	$11,389	6.43%
4	Charles Schwab	$142,034	$79,670	$5,091	$57,273	$0	6.36%
5	Truist Bank	$97,070	$47,997	$12,720	$33,469	$2,884	4.35%
6	U.S. Bancorp	$95,518	$58,540	$26,758	$10,221	$0	4.28%
7	Citigroup Inc.	$94,080	$63,385	$27,966	$2,029	$700	4.22%
8	PNC Bank, National Association	$66,248	$56,201	$3,706	$5,438	$903	2.97%
9	Capital One Financial Corporation	$62,033	$29,155	$14,150	$18,415	$312	2.78%
10	Morgan Stanley	$48,290	$29,424	$7,366	$11,422	$78	2.16%
11	Bank Of New York Mellon Corp	$43,360	$27,838	$4,297	$9,497	$1,728	1.94%
12	State Street Bank and Trust Company	$36,287	$12,659	$9,487	$12,158	$1,983	1.63%
13	USAA Federal Savings Bank	$35,354	$29,811	$1,719	$3,824	$0	1.58%
14	Citizens Bank, National Association	$28,292	$12,413	$6,503	$9,375	$0	1.27%
15	BMO Harris Bank National Association	$27,814	$3,806	$5,723	$18,284	$0	1.25%
16	The Huntington National Bank	$25,954	$10,330	$8,473	$7,034	$116	1.16%
17	TD Bank USA/TD Bank NA	$25,099	$1,391	$71	$23,613	$24	1.12%
18	KeyBank National Association	$23,998	$3,439	$156	$20,402	$0	1.08%
19	HSBC Bank USA, National Association	$23,838	$3,709	$15,259	$4,870	$1	1.07%
20	Regions Bank	$18,561	$13,792	$2,588	$2,181	$0	0.83%
Total	Top 20	$1,690,783	$1,036,708	$375,093	$258,584	$20,397	75.8%

Source: Inside Mortgage Finance. Notes: Data as of Q1 2024.

8.3 SOMA Holdings

FOMC and Economic Highlights:

- Federal Open Market Committee Meeting 6/12/2024 Press Release:
  - *“The Committee decided to maintain the target range for the federal funds rate at 5-1/4 to 5-1/2 percent” and is projecting just one rate cut this year.*
  - *“Inflation has eased over the past year but remains elevated. In recent months, there has been modest furtherprogress toward the Committee’s 2 percent inflation objective.”*
  - *“The Committee does not expect it will be appropriate to reduce the target range until it has gained greater confidence that inflation is moving sustainably toward 2 percent.”*
- Powell indicated in his press conference that:
  - *“Our policy is restrictive and is having the effects we would hope for.”*
  - *“Today was a better inflation report than almost anyone expected.”*
  - *“We have seen the labor market gradually move back into much better balance between supply and demand.”*
  - *“No one on the Committee has rate hikes as a base case.”*
  - *“We are doing everything to get to price stability by bringing inflation under control.”*
  - *“The housing situation is complicated. We need to get inflation down so rates can come down.”*
- The next FOMC meeting is scheduled for July 30 - July 31.
- On October 19, 2023, the UST 10YR briefly traded at 5.001% for the first time since 2007. Since then, the yield has returned to pre-peak levels. As of July 10, 2024, the UST 10YR yield closed at 4.29% while the Ginnie II 5.5% coupon yield closed at 5.57%, a spread of 128 bps. This is down from a peak of 213 bps in October 2023.
- Core PCE inflation, which is the Fed benchmark, also dropped to +2.6% in May 2024, per the June 28, 2024 Core PCE report.
- Per the July 5, 2024 jobs report, 206,000 new jobs were created and the unemployment rate increased to 4.1% in June 2024. Jobs added in May were revised down to 218,000 from 272,000 and April’s were revised down to 108,000 from 165,000. The increase in the unemployment rate and the downward revisions in jobs are indications that the economy may finally be slowing down.

SOMA Portfolio Highlights (May 29, 2024 versus June 26, 2024)

- SOMA holdings of domestic securities totaled $6.7 trillion on June 26 (a decrease of $56.3 billion or -0.86% from May 29). $37.7 billion (67% of the total decrease) was in U.S. Treasury holdings and $18.6 billion (33% of the total decrease) was in Agency MBS.
- Since the institution of redemption caps in June 2022, SOMA holdings have decreased by $1.719 trillion. The total reduction of holdings of U.S. Treasuries was $1.347 trillion and $0.371 trillion for Agency MBS. This represents 93.9% and 43.2% of the total redemption cap over the period for U.S. Treasuries and Agency MBS, respectively. Beginning in June 2024, the Fed will reduce its redemption cap for U.S. Treasuries from $60 billion to $25 billion per month. The cap will remain unchanged for Agency MBS.
- Agency MBS comprise about 34% of the total SOMA portfolio. The $18.6 billion monthly decrease was primarily due to MBS principal repayments rather than outright sales and was comprised of a $7.7 billion decrease in Fannie Mae holdings, a $6.8 billion decrease in Freddie Mac holdings, and a $4.1 billion decrease in Ginnie Mae holdings. Since the Fed’s Quantitative Tightening (QT)

program began in June 2022, there have only been 23 outright sales of Agency MBS specified pools, totaling $692 million.

- While Ginnie Mae MBS comprise 26.7% of total Agency MBS outstanding, the SOMA Ginnie Mae allocation is underweighted at only 20.6%.
- SOMA Agency MBS holdings include 15-yr, 30-yr, and Other securities with 30-yr comprising around 89% of total Agency MBS holdings. Only 30-yr Ginnie Mae I and II MBS are held by SOMA.
- Over 99% of SOMA Agency MBS holdings have coupons of 4.5% or lower with an average WAC of 2.505%.
- The redemption cap for SOMA's Agency MBS holdings is set at $35 billion per month. The reduction of $18.6 billion in Agency MBS represents 53% of the monthly liquidation cap.

Table 12. SOMA Holdings as of May 29, 2024 and June 26, 2024 ($ Billions)

Holdings by Security Type	*May 29, 2024*		*June 26, 2024*		*Month-Over-Month*	
	SOMA Holdings	*% Share*	*SOMA Holdings*	*% Share*	*$ Change*	*% Change*[7]
U.S. Treasuries	$4,372.8	64.98%	$4,335.1	64.96%	-$37.7	-0.86%
Federal Agency Debt	$2.3	0.03%	$2.3	0.04%	$0.0	0.00%
Agency MBS	$2,346.5	34.87%	$2,327.9	34.88%	-$18.6	-0.79%
Agency Commercial MBS	$8.2	0.12%	$8.1	0.12%	$0.0	-0.18%
Total SOMA Holdings	**$6,729.8**	**100.0%**	**$6,673.5**	**100.0%**	**-$56.3**	**-0.84%**

Table 13. SOMA Agency MBS Holdings Distribution ($ Billions)

Agency	*June 1, 2024*		May 29, 2024		June 26, 2024	
	Singly-Family AMBS Outstanding	*% AMBS Outstanding*	*SOMA AMBS Holdings*	*% SOMA Holdings*	*SOMA AMBS Holdings*	*% SOMA Holdings*
Fannie Mae	$3,560.1	40.0%	$965.5	41.1%	$957.7	41.1%
Freddie Mac	$2,960.2	33.3%	$898.2	38.3%	$891.4	38.3%
Ginnie Mae	$2,372.2	26.7%	$482.9	20.6%	$478.7	20.6%
Total	**$8,892.5**	**100.0%**	**$2,346.5**	**100.0%**	**$2,327.9**	**100.0%**

Table 14. SOMA Agency MBS Liquidations from May 29, 2024 to June 26, 2024 ($ Billions)

	MBS Holdings May 29, 2024	*MBS Holdings June 26, 2024*	*Liquidated Amount*	*Liquidation Cap*[8]	*% of Liquidation Cap*
Total	$2,346.5	$2,327.9	$18.6	$35.0	53%

Source: New York FED SOMA Holdings https://www.newyorkfed.org/markets/soma-holdings as of June 2024.

[7] *Figures in $ billions, any change less than $50 million will be expressed as a "$0.0" change in the "$ Change" column.*
[8] *The Liquidation cap is per calendar month. This analysis covers a four-week period to maintain consistency with other analyses in this report.*

8.4 Foreign Ownership of MBS

As of month-end May 2024, foreign ownership of MBS represented approximately $1.23 trillion in Agency MBS, up approximately $70 billion from May 2023. Total foreign ownership of Agency MBS represents roughly 14% of total Agency MBS outstanding. Total foreign ownership excluding Fed Holdings and CMOs represents roughly 22% of total Agency MBS available.

Figure 35. Agency MBS Owned by Foreign Entities Ex-Fed Holdings and CMO's (USD Billions)

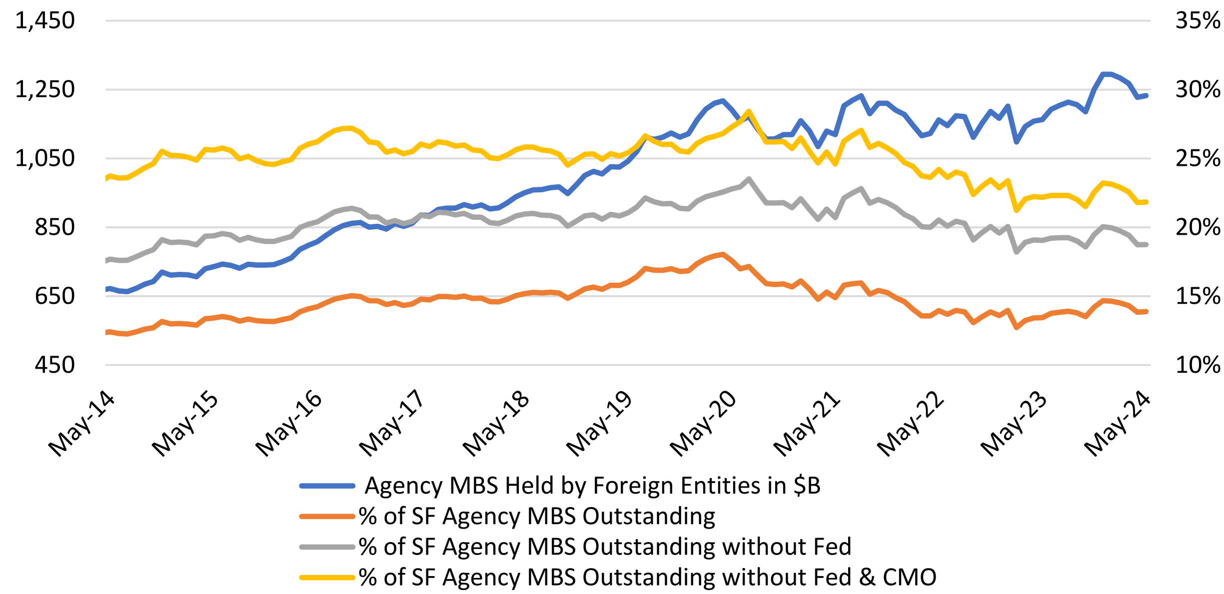
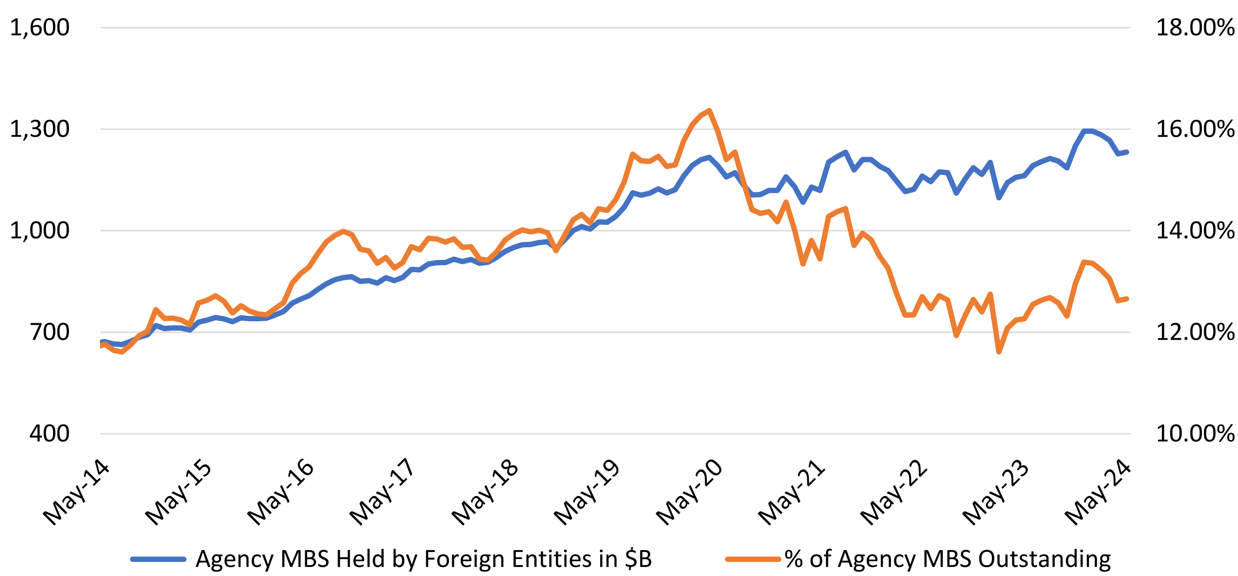


Figure 36. Agency MBS Owned by Foreign Entities (USD Billions)



Sources: TIC and Recursion, as of May 2024.

8.5 Foreign Ownership of Agency Debt

The largest holders of Agency Debt were China, Japan, and Taiwan. As of March 2024, these three owned roughly 54% of all foreign owned Agency Debt. Between March 2023 and March 2024, China, Japan, and Taiwan decreased their Agency Debt holdings. China's holdings decreased by $7.9 billion, Japan's holdings decreased by $38.4 billion, and Taiwan's holdings decreased by $13.0 billion.

Table 15. All Agency Debt (QoQ)

Country	*Level of Holdings ($ Millions)*				*Change in Holdings ($ Millions)*			
	6/1/2023	**9/1/2023**	**12/1/2023**	**3/1/2024**	**Q2 2023**	**Q3 2023**	**Q4 2023**	**Q1 2024**
China	269,980	255,110	271,478	255,977	6,088	-14,870	16,368	-15,501
Japan	253,357	252,463	259,059	248,603	-33,694	-894	6,596	-10,456
Taiwan	208,226	201,010	211,610	199,560	-4,307	-7,216	10,600	-12,050
Canada	105,330	116,642	133,725	129,900	-197	11,312	17,083	-3,825
Luxembourg	40,971	42,656	46,054	48,677	-10,231	1,685	3,398	2,623
Cayman Islands	30,398	37,089	42,342	41,961	913	6,691	5,253	-381
Ireland	36,766	39,697	39,543	41,497	11,667	2,931	-154	1,954
United Kingdom	55,682	90,017	120,148	39,768	14,581	34,335	30,131	-80,380
South Korea	36,737	36,508	38,381	36,519	-1,394	-229	1,873	-1,862
Bahamas	19,194	21,160	23,896	24,925	2,457	1,966	2,736	1,029
Other	209,407	221,304	237,009	243,310	6,925	11,897	15,705	6,301
Total	**1,266,048**	**1,313,656**	**1,423,245**	**1,310,697**	**-7,192**	**47,608**	**109,589**	**-112,548**

Table 16. All Agency Debt (YoY)

Country	*Level of Holdings ($ Millions)*		
	3/1/2023	**3/1/2024**	***YoY Change in Holdings ($ Millions)***
China	263,892	255,977	-7,915
Japan	287,051	248,603	-38,448
Taiwan	212,533	199,560	-12,973
Canada	105,527	129,900	24,373
Luxembourg	51,202	48,677	-2,525
Cayman Islands	29,485	41,961	12,476
Ireland	25,099	41,497	16,398
United Kingdom	41,101	39,768	-1,333
South Korea	38,131	36,519	-1,612
Bahamas	16,737	24,925	8,188
Other	202,482	243,310	40,828
Total	**1,273,240**	**1,310,697**	**37,457**

Source: Treasury International Capital (TIC). Note: Level of agency debt Holdings by month data as of Q1 2024.Table 15 includes the top 10 holders of Agency Debt listed as of March 2024.

9 FIXED INCOME LIQUIDITY INDICATORS

YTD average daily trading volume for Agency MBS was $294 billion as of month-end June 2024, which indicates an increase from the daily average of $255 billion for calendar year 2023. On a monthly basis, Agency MBS average daily trading volume increased 4.5% MoM, from $287 billion in May 2024 to $300 billion in June 2024. *See footnote below for update on "Average Daily Turnover by Sector" data.*

Figure 37. Average Daily Trading Volume by Sector

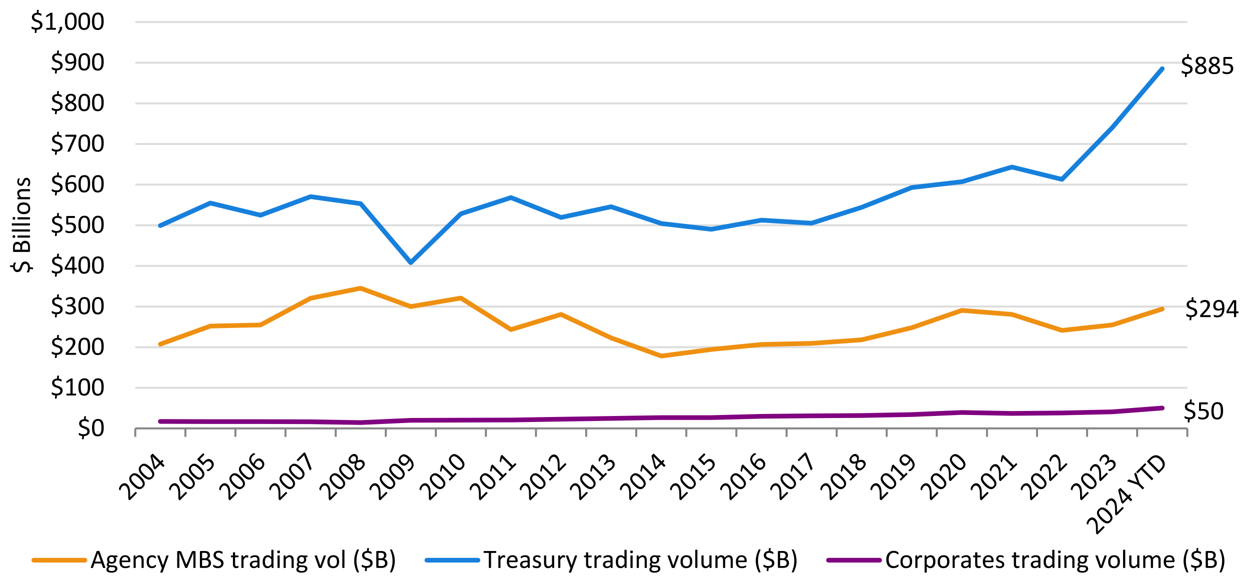
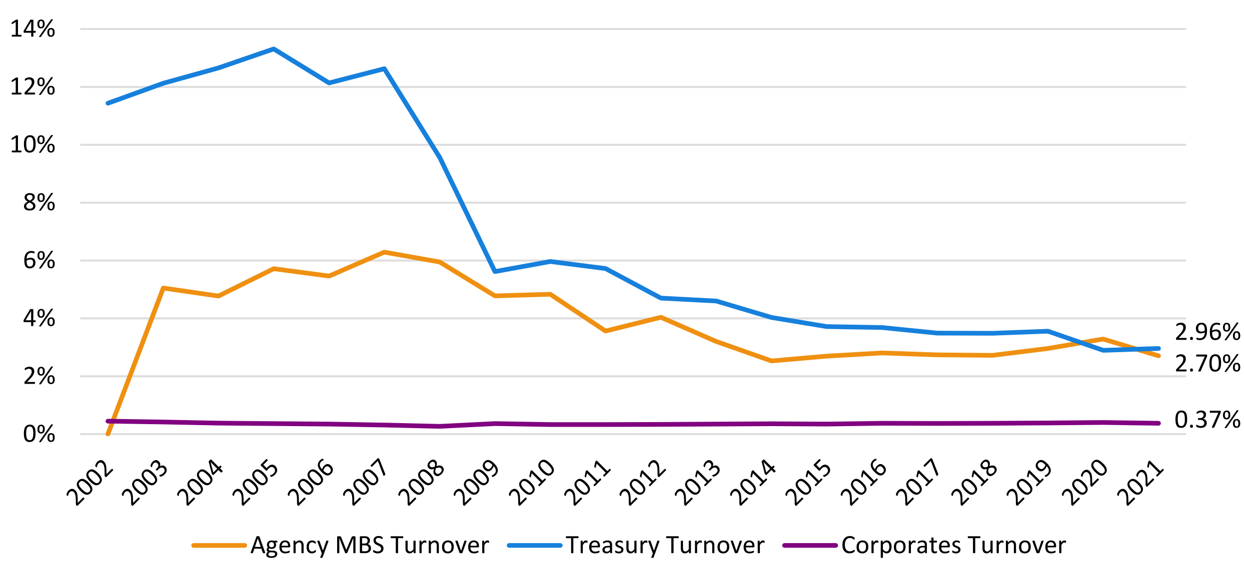


Figure 38. Average Daily Turnover by Sector



Source: SIFMA. Note: Data as of June 2024 for Average Daily Trading Volume by Sector and as of December 2021 for Agency MBS in Average Daily Turnover by Sector. The MBS outstanding database for Turnover by Sector is under maintenance and is not updated in this report.

PRIMARY MORTGAGE MARKET

10 AGENCY CREDIT BREAKDOWN

Tables 17, 18, and 19 below outline the population distributions of FICOs, DTIs, and LTVs between the Agencies and between FHA, VA, and other Ginnie Mae loan sources as of month-end June 2024. The distribution statistics capture some key differences in the populations served by the agencies.

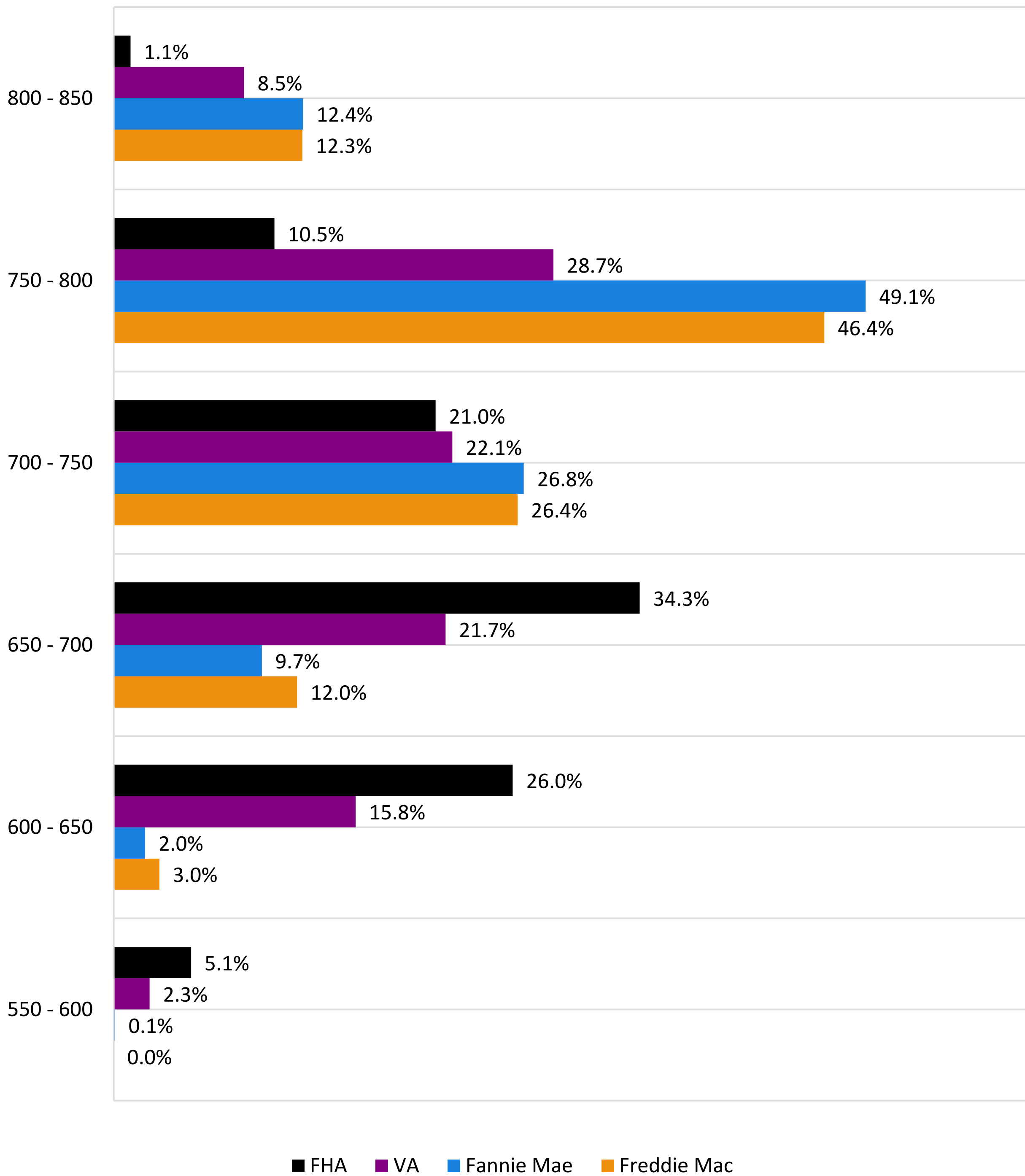
10.1 Credit Scores

Table 17. Share of Loans by FICO Score

			Purchase FICO				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	230,378	656	702	751	784	801	739
Fannie	83,380	704	736	768	791	803	760
Freddie	66,953	693	729	766	790	803	756
Ginnie	80,045	628	657	699	750	786	703
			Refi FICO				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	49,479	624	658	706	758	790	705
Fannie	15,914	660	696	738	776	797	733
Freddie	13,523	662	696	739	777	798	734
Ginnie	20,042	593	627	661	699	742	663
			All FICO				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	279,857	648	692	744	781	800	733
Fannie	99,294	694	730	764	789	802	756
Freddie	80,476	685	723	762	789	802	752
Ginnie	100,087	621	650	690	742	782	695
			Purchase FICO: Ginnie Mae Breakdown by Source				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	80,045	628	657	699	750	786	703
FHA	50,842	625	650	685	727	763	689
VA	26,570	639	682	741	782	801	729
Other	2,633	633	660	701	739	770	701
			Refi FICO: Ginnie Mae Breakdown by Source				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	20,042	593	627	661	699	742	663
FHA	12,852	585	621	653	686	720	653
VA	7,170	610	642	680	725	767	683
Other	20	629	688	720	750	765	708
			All FICO: Ginnie Mae Breakdown by Source				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	100,087	621	650	690	742	782	695
FHA	63,694	617	644	678	720	758	682
VA	33,740	630	668	726	775	799	719
Other	2,653	633	660	701	739	769	701

Data as of June 2024. Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files. Note: All averages are rounded to the nearest whole number.

Figure 39. FICO Distributions by Agency



Data as of June 2024. Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files.

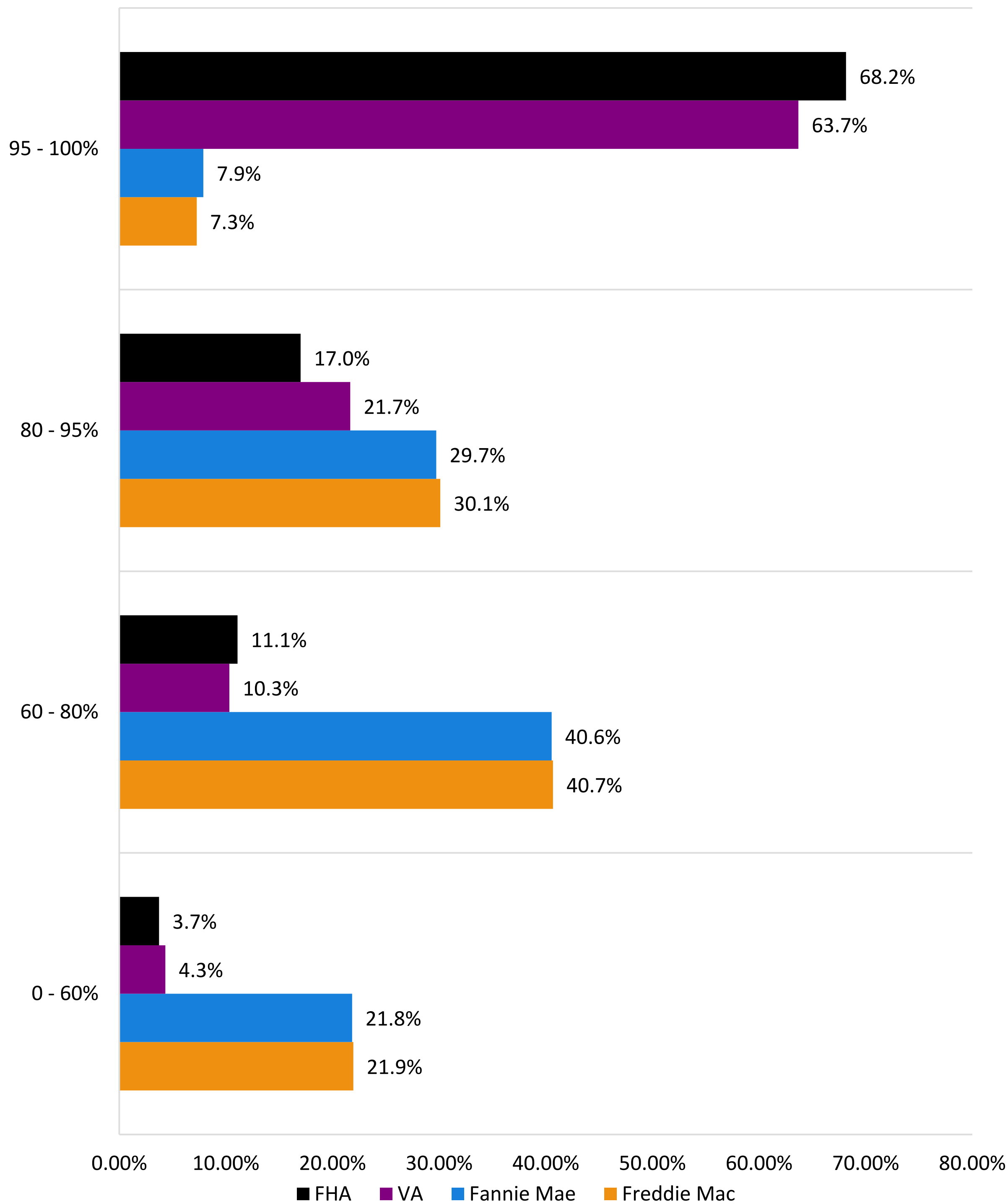
10.2 Loan-to-Value (LTV)

Table 18. Share of Loans by LTV

Names	Number of Loans	P10	P25	Median	P75	P90	Mean
Purchase LTV							
All	230,689	61	80	90	97	99	85
Fannie	83,461	55	75	80	95	95	79
Freddie	66,981	52	74	80	95	95	79
Ginnie	80,247	90	97	98	100	100	96
Refi LTV							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	51,435	33	50	69	80	92	65
Fannie	15,917	26	40	57	69	75	54
Freddie	13,523	26	41	59	70	80	55
Ginnie	21,995	57	71	81	90	100	79
All LTV							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	282,124	52	74	86	97	99	81
Fannie	99,378	46	65	80	90	95	75
Freddie	80,504	44	65	80	90	95	75
Ginnie	102,242	76	91	98	99	100	92
Purchase LTV: Ginnie Mae Breakdown by Source							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	80,247	90	97	98	100	100	96
FHA	50,957	92	97	98	98	98	96
VA	26,614	82	99	100	100	102	96
Other	2,676	92	98	101	101	101	98
Refi LTV: Ginnie Mae Breakdown by Source							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	21,995	57	71	81	90	100	79
FHA	13,289	53	67	78	81	81	73
VA	8,678	67	82	90	100	102	88
Other	28	64	74	87	96	98	84
All LTV: Ginnie Mae Breakdown by Source							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	102,242	76	91	98	99	100	92
FHA	64,246	75	90	98	98	98	91
VA	35,292	78	90	100	100	102	94
Other	2,704	92	98	101	101	101	98

Data as of June 2024. Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files. Note: All averages are rounded to the nearest whole number.

Figure 40. Loan-to Value by Agency



Data as of June 2024. Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files.

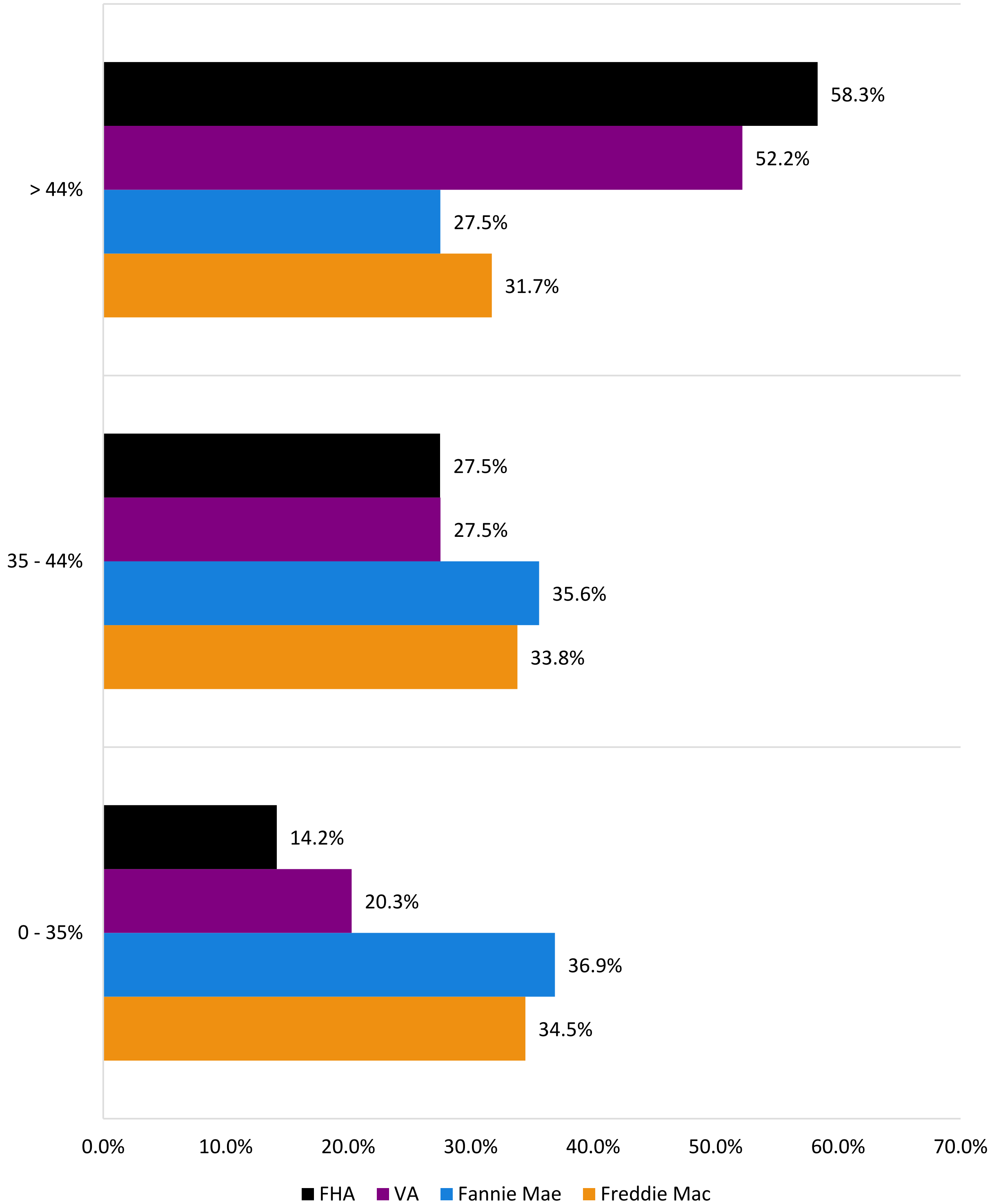
10.3 Debt-to-Income (DTI)

Table 19. Share of Loans by DTI

Purchase DTI							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	230,330	27	34	42	48	50	40
Fannie	83,461	25	32	39	45	49	38
Freddie	66,981	25	32	40	46	49	38
Ginnie	79,888	32	39	46	51	55	45
Refi DTI							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	47,839	25	33	41	47	50	39
Fannie	15,917	23	30	38	44	47	36
Freddie	13,523	24	32	40	46	49	38
Ginnie	18,399	29	36	44	50	55	43
All DTI							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	278,169	26	34	42	47	50	40
Fannie	99,378	24	31	39	45	49	38
Freddie	80,504	25	32	40	46	49	38
Ginnie	98,287	31	38	45	51	55	44
Purchase DTI: Ginnie Mae Breakdown by Source							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	79,888	32	39	46	51	55	45
FHA	50,957	34	40	46	52	55	45
VA	26,254	30	37	45	51	56	44
Other	2,677	27	32	36	40	42	35
Refi DTI: Ginnie Mae Breakdown by Source							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	18,399	29	36	44	50	55	43
FHA	12,505	29	37	44	50	55	43
VA	5,876	28	35	43	50	55	42
Other	18	28	32	35	40	41	35
All DTI: Ginnie Mae Breakdown by Source							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	98,287	31	38	45	51	55	44
FHA	63,462	33	39	46	52	55	45
VA	32,130	30	37	45	51	56	44
Other	2,695	27	32	36	40	42	35

Data as of June 2024. Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files. Note: All averages are rounded to the nearest whole number.

Figure 41. Debt-to Income by Agency



Data as of June 2024. Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files.

10.4 High LTV Loans: Ginnie Mae vs. GSEs

Comparing the three-month range of April 2023 – June 2023 to the three-month range of April 2024 – June 2024, the share of high-LTV agency loans with:

- FICO scores above 750 increased by approximately 6.9%.
- DTIs below 35% decreased by approximately 12.3%.

Ginnie Mae maintains its key role of expanding credit access to low-to-moderate income borrowers as it continues to dominate high-LTV lending, with 71.97% of its issuances between April 2024 – June 2024 having LTVs of 95 or above, compared to 22.21% for the GSEs.

Table 20. Share of Loans with LTV > 95

	Ginnie Mae	*GSE*	*All*
Apr 2023 - Jun 2023	71.15%	23.66%	41.15%
Apr 2024 - Jun 2024	71.97%	22.21%	41.35%

Table 21. Agency Market Share by DTI and FICO for Loans with LTV > 95 (Apr 2023 – Jun 2023)

	FICO					
DTI	**<650**	**650-700**	**700-750**	**≥750**	**NA**	**All**
<35	1.93%	3.07%	4.46%	7.49%	0.05%	17.00%
35-45	5.57%	8.27%	10.14%	12.24%	0.05%	36.27%
≥45	7.86%	13.01%	12.73%	11.80%	0.10%	45.49%
NA	0.26%	0.19%	0.11%	0.17%	0.50%	1.23%
All	**15.63%**	**24.54%**	**27.45%**	**31.69%**	**0.69%**	**100.00%**

Table 22. Agency Market Share by DTI and FICO for Loans with LTV > 95 (Apr 2024 - Jun 2024)

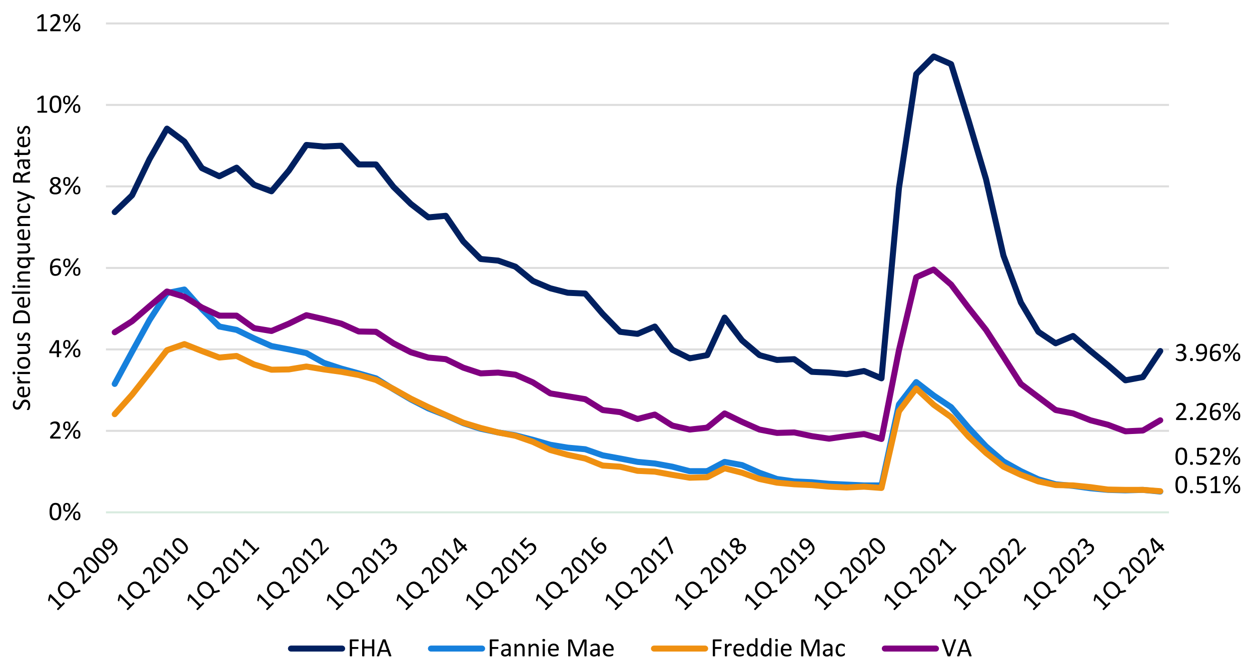
	FICO					
DTI	**<650**	**650-700**	**700-750**	**≥750**	**NA**	**All**
<35	1.61%	2.38%	3.77%	7.07%	0.07%	14.91%
35-45	4.90%	7.17%	9.38%	12.54%	0.06%	34.05%
≥45	7.38%	12.60%	13.80%	13.84%	0.10%	47.71%
NA	0.50%	0.51%	0.40%	0.43%	1.48%	3.33%
All	**14.40%**	**22.66%**	**27.35%**	**33.87%**	**1.72%**	**100.00%**

Sources: Recursion and Ginnie Mae. Data as of June 2024.

10.5 Serious Delinquency Rates

Serious delinquency rates for Single-Family VA and FHA loans rose in Q1 2024. From Q4 2023 to Q1 2024, FHA's serious delinquencies rose 64 bps to 3.96% and VA's delinquency rates saw a 25 bp increase to 2.26%. Fannie and Freddie's serious delinquencies saw less movement than FHA and VA in Q1 2024. Fannie Mae's serious delinquency rate decreased 4 bps and Freddie Mac's rate decreased 3 bps from Q4 2023 to Q1 2024, sitting at 0.51% and 0.52%, respectively. The trend in serious delinquency rates is consistent with the decrease in the number of loans in forbearance since the 2020 pandemic.

Figure 42. Serious Delinquency Rates: Single-Family Loans



Sources: Fannie Mae and Freddie Mac Monthly Summary Reports. MBA Delinquency Survey

Note: Serious delinquency is defined as 90 days or more past due or in the foreclosure process. Data as of Q1 2024.

10.6 Credit Box

The first-time homebuyer share for agency purchase loans was 58.1% as of month-end June 2024, an increase from 57.9% in May 2024 and up from 55.0% in June 2023. Ginnie Mae's first-time homebuyer share, 71.5% as of month-end June 2024, increased 4.2% YoY. Freddie Mac and Fannie Mae's first-time homebuyer shares were 50.2% and 51.6%, respectively, as of month-end June 2024. Freddie Mac's share of first-time borrowers increased 5.9% and Fannie Mae's increased 6.9% YoY.

Table 23 shows that based on mortgages originated as of month-end June 2024 the average GSE first-time homebuyer was more likely to have a higher credit score, lower LTV, and higher interest rate compared to an average Ginnie Mae first-time homebuyer. Ginnie Mae's first-time homebuyers were more likely to have lower loan amounts and lower credit scores, while having slightly higher mortgage rates than Ginnie Mae repeat buyers.

Figure 43. First-Time Homebuyer Share: Purchase Only Loans

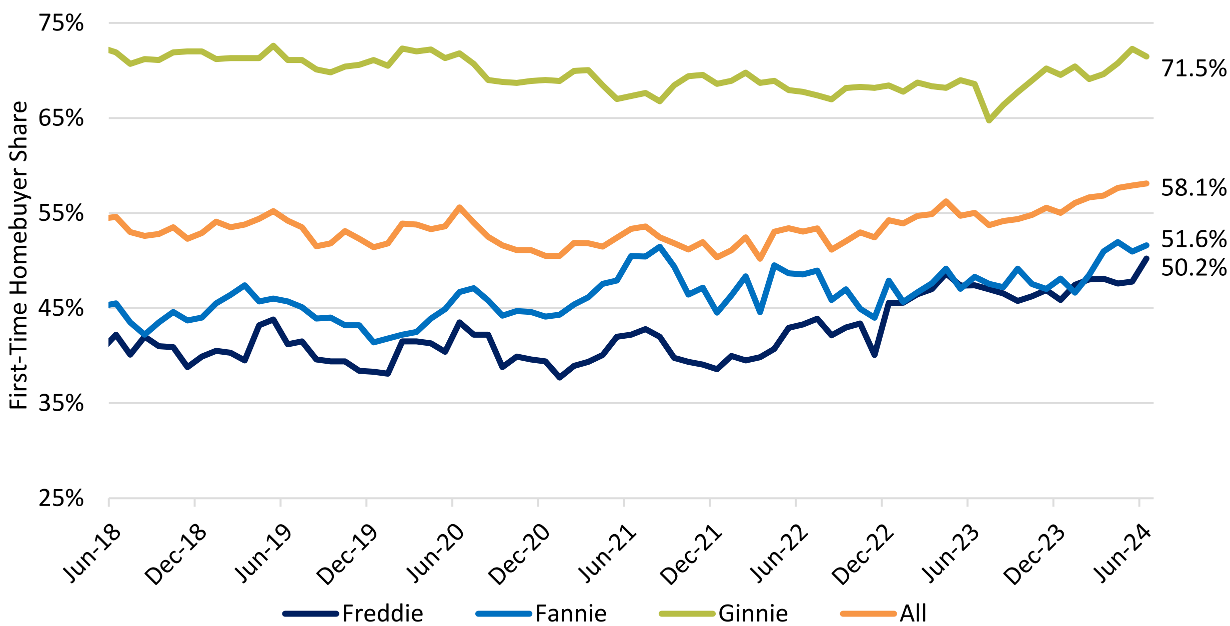


Table 23. Agency First-Time Homebuyer Share Summary

	Fannie Mae		Freddie Mac		Ginnie Mae		All	
	First-Time	*Repeat*	*First-Time*	*Repeat*	*First-Time*	*Repeat*	*First-Time*	*Repeat*
Loan Amount $	$347,738	$359,996	$345,875	$362,485	$320,247	$386,823	$335,508	$367,214
Credit Score	755	765	748	763	696	720	728	754
LTV (%)	84.5%	74.1%	83.9%	73.8%	97.1%	93.6%	89.7%	78.6%
DTI (%)	37.8%	37.9%	38.2%	38.3%	44.2%	45.5%	40.6%	39.9%
Loan Rate (%)	6.9%	7.0%	6.9%	7.0%	6.6%	6.5%	6.8%	6.9%

Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files as of June 2024

In the Ginnie Mae purchase market, 80.5% of FHA loans, 52.7% of VA loans, and 85.5% of "Other" loans provided financing for first-time home buyers as of month-end June 2024. The share of first-time home buyers in the Ginnie Mae purchase market decreased MtM for all loan types.

Table 24 shows that based on mortgages originated as of month-end June 2024; the credit profile of the average VA first-time homebuyer differed from the average VA repeat buyer. The average VA first-time homebuyer took out 16.5% smaller loans, had a 27-point lower credit score, and a 5.1% higher LTV than VA repeat buyers. VA repeat buyers faced a slightly lower interest rate than VA first-time homebuyers. FHA's first-time homebuyers are much more like their repeat buyers, with only 7.2% smaller loans and 2.2% higher LTVs. Because FHA provides one of few credit options for borrowers with lower credit scores, repeat borrowers with weaker credit profiles are often limited to FHA financing; FHA's repeat buyers have similar credit scores compared to their first-time home buyers.

Figure 44. First-time Homebuyer Share: Ginnie Mae Breakdown

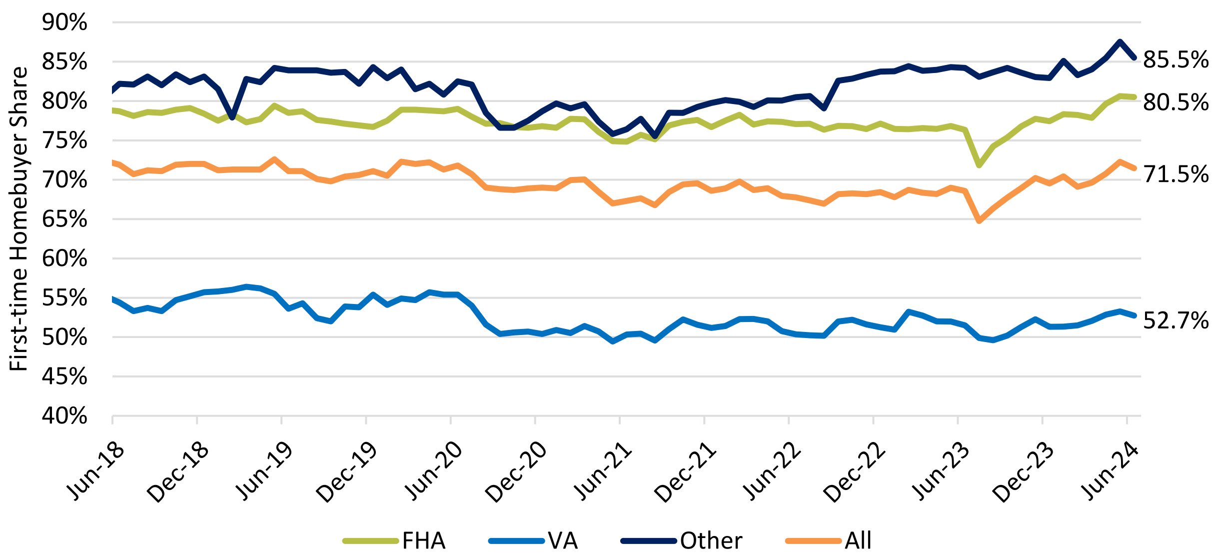


Table 24. Ginnie Mae First-Time Homebuyer Share Breakdown Summary

	FHA		VA		Other		Total	
	First-Time	*Repeat*	*First-Time*	*Repeat*	*First-Time*	*Repeat*	*First-Time*	*Repeat*
Loan Amount $	$313,963	$338,226	$359,620	$430,663	$191,449	$210,546	$320,247	$386,823
Credit Score	689	691	716	743	699	711	696	720
LTV (%)	96.6%	94.1%	98.2%	93.1%	98.0%	97.8%	97.1%	93.6%
DTI (%)	45.0%	46.8%	43.3%	44.8%	35.4%	36.0%	44.2%	45.5%
Loan Rate (%)	6.6%	6.5%	6.5%	6.4%	6.6%	6.5%	6.6%	6.5%

Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files as of June 2024. Note: LTV, DTI, and Loan Rate are rounded to nearest tenth.

10.7 Credit Box: Historical

The median FICO score for all Agency loans originated as of month-end June 2024 was 744, which represents a 7-point increase from June 2023. Ginnie Mae median FICO scores increased 13 points from 677 in June 2023 to 690 as of month-end June 2024. As of month-end June 2024, average FICO scores for refinances increased for Ginnie Mae and Freddie Mac borrowers by 2 and 7 points YoY, respectively. Average FICO scores for Fannie decreased 9 points from June 2023 to June 2024.

Figure 45. FICO Scores for All Loans

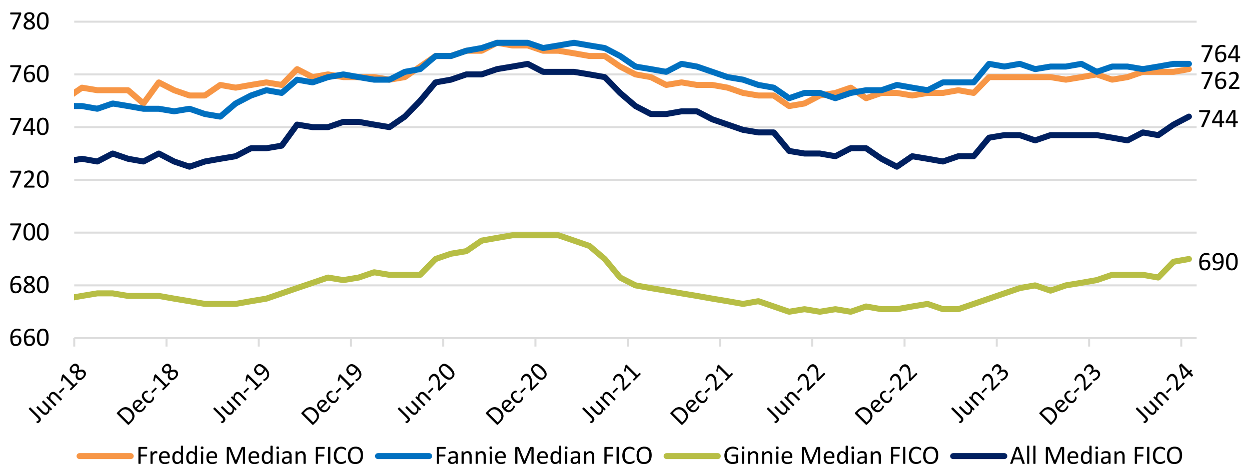


Figure 46. FICO Scores for Purchase Loans

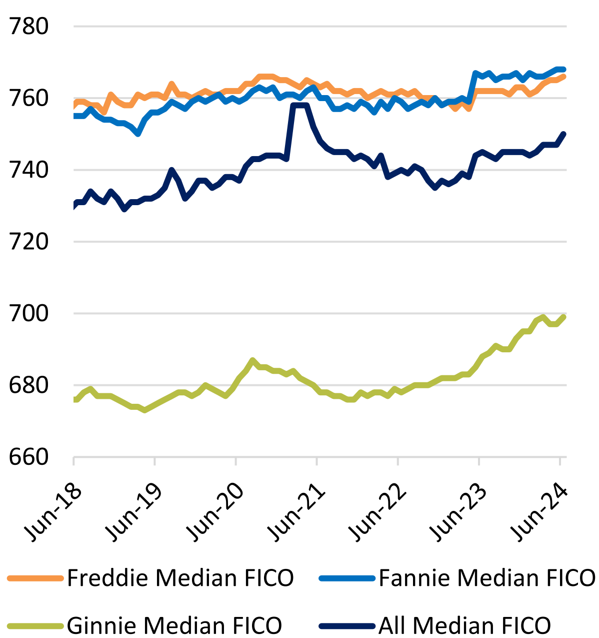
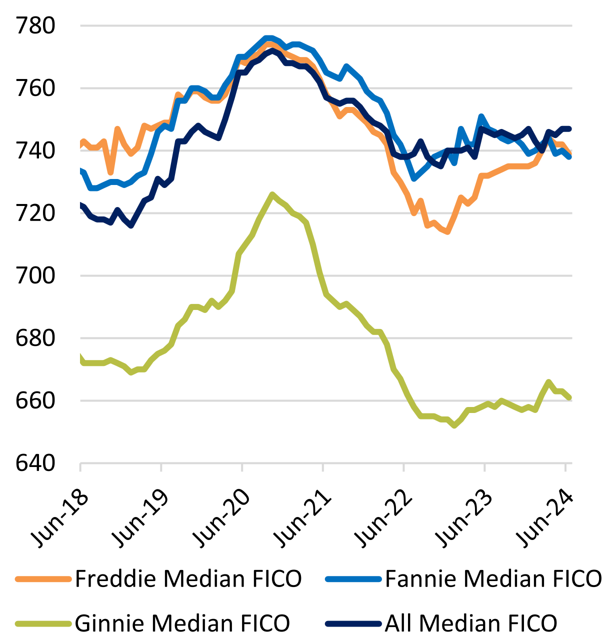


Figure 47. FICO Scores for Refinance Loans



Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files

In June 2024, the median LTV for Ginnie Mae loans was 98.2% compared to 80.0% for Fannie Mae and Freddie Mac, owing primarily to the lower down-payment requirements for government loan programs. Fannie Mae, Freddie Mac, and Ginnie Mae noted their LTV ratios remain flat YoY from June 2023 to June 2024. In June 2024, median DTIs for Ginnie Mae, Freddie Mac, and Fannie Mae were 45.1%, 40.0%, and 39.0%, respectively. In June 2023, median DTIs for Ginnie Mae, Freddie Mac, and Fannie Mae were 44.8%, 39.0%, and 38.0%, respectively.

Figure 48. LTV Ratio for All Loans

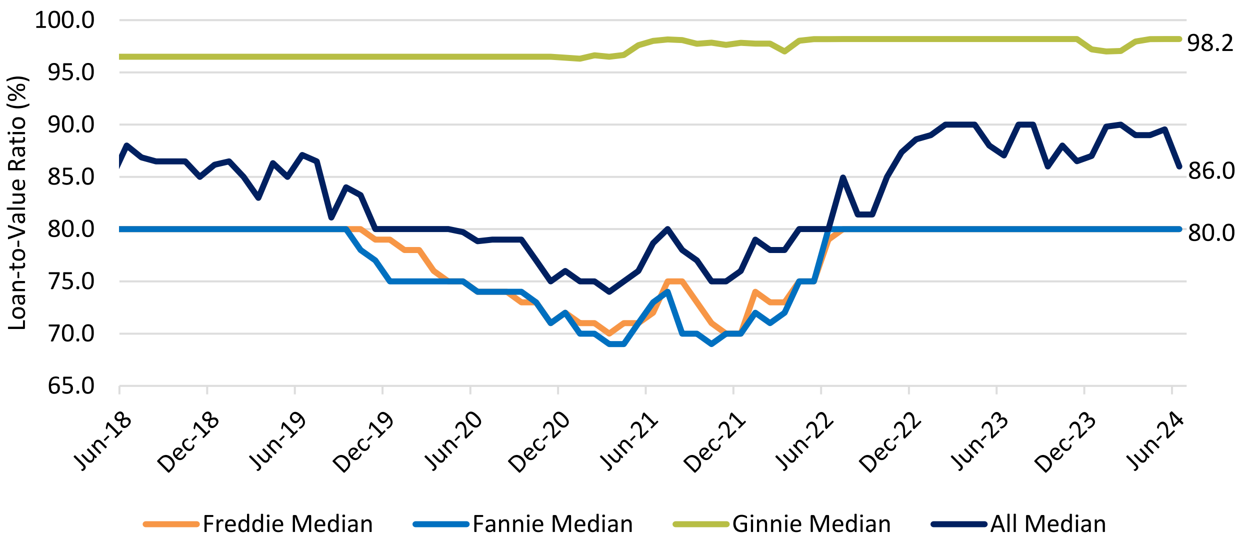
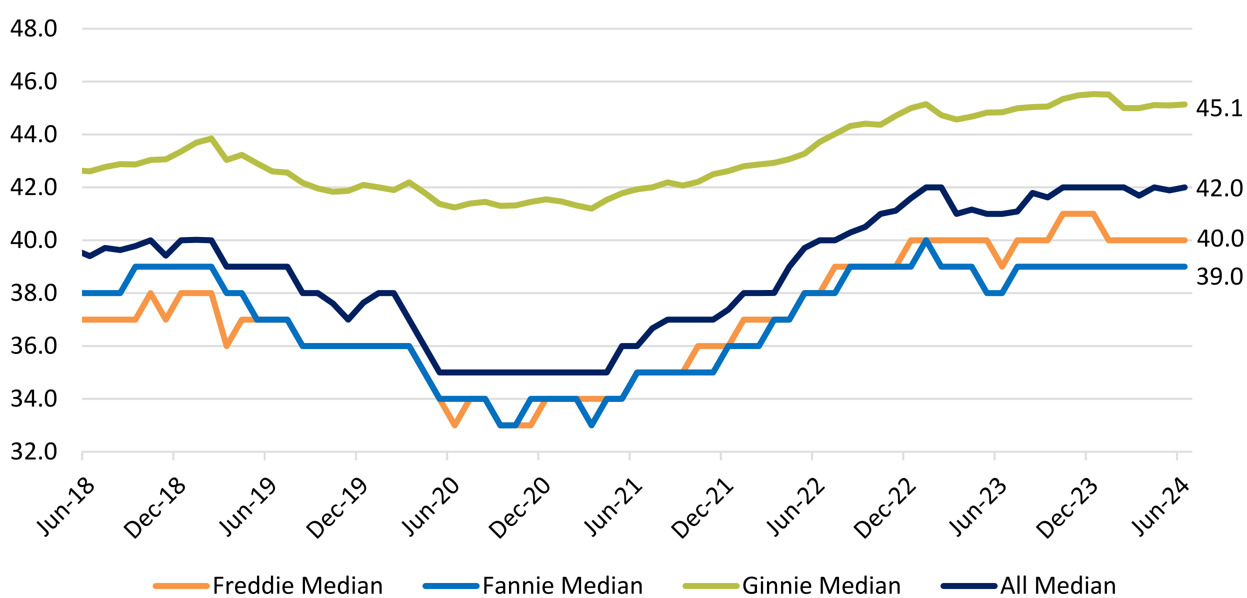


Figure 49. DTI Ratio for All Loans



Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files.

11 FORBEARANCE TRENDS

At the end of June 2024, 31,612 Ginnie Mae loans were in forbearance. The number of loans in forbearance removed from MBS pools in June 2024 was 142 while 31,470 loans in forbearance remained in pools. The number of loans in forbearance, both the number of loans that remained in pools, and the number of loans removed from MBS pools increased for Ginnie Mae. The median current principal balance for Ginnie Mae, FHA, and VA was higher for loans in forbearance originated by nonbanks than banks in all subsets.

Tables 25-27. Forbearance Snapshot

All Loans in Forbearance – June 2024						
	FICO Score*	Note Rate (%) *	Current Principal Balance Median	First Time Homebuyer Share (%)	Purchase Share (%)	Loan Count
Ginnie	650	4.5	$205,894	74.8	75.5	31,612
Bank	669	4.6	$166,635	81.3	91.0	4,691
Nonbank	648	4.5	$212,913	73.8	73.3	26,878
FHA	650	4.5	$199,001	77.5	77.4	27,182
Bank	668	4.6	$165,370	83.7	91.6	4,327
Nonbank	647	4.5	$206,282	76.3	75.2	22,814
VA	652	4.5	$283,961	58.0	63.7	3,575
Bank	682	4.2	$274,178	50.6	83.3	226
Nonbank	650	4.5	$284,467	58.7	62.4	3,348

Loans in Forbearance and Removed from Pools – June 2024						
	FICO Score*	Note Rate (%) *	Current Principal Balance Median	First Time Homebuyer Share (%)	Purchase Share (%)	Loan Count
Ginnie	641	5.0	$228,450	68.3	72.8	142
Bank	660	4.9	$176,605	96.0	86.1	13
Nonbank	639	5.0	$230,007	66.3	72.0	129
FHA	633	5.2	$223,200	68.2	76.9	128
Bank	662	5.1	$173,184	96.0	86.1	11
Nonbank	631	5.3	$226,759	66.1	76.3	117
VA	695	3.6	$345,887	100.0	32.0	11
Bank	650	3.9	$269,809	0.0	0.0	2
Nonbank	703	3.5	$345,887	100.0	32.0	9

Loans in Forbearance that Remain in Pools – June 2024						
	FICO Score*	Note Rate (%) *	Current Principal Balance Median	First Time Homebuyer Share (%)	Purchase Share (%)	Loan Count
Ginnie	650	4.5	$205,784	74.9	75.5	31,470
Bank	669	4.6	$166,381	81.2	91.0	4,678
Nonbank	648	4.5	$212,783	73.8	73.3	26,749
FHA	650	4.5	$198,832	77.5	77.4	27,054
Bank	668	4.6	$165,361	83.7	91.6	4,316
Nonbank	647	4.5	$206,083	76.4	75.2	22,697
VA	652	4.5	$283,752	58.0	63.8	3,564
Bank	683	4.2	$274,178	50.6	83.3	224
Nonbank	650	4.5	$284,372	58.6	62.6	3,339

*Sources: Ginnie Mae loan level MBS disclosure and forbearance file and Ginnie Mae Issuer Operational Performance Profile (IOPP) -Peer Group Listings. Notes: Data as of June 2024; *Averages weighted by remaining principal balance of the loans.*

12 HOLDERS OF GINNIE MAE MORTGAGE SERVICING RIGHTS

The 30 largest owners of mortgage servicing rights (MSR) by UPB for loans collateralizing Ginnie Mae MBS are shown in **Table 28.** The top 30 firms collectively own 88.16% of Ginnie Mae MSRs (see Cumulative Share). Twenty-two of these top 30 are non-depository institutions, the remaining eight are depository institutions. As of June 2024, over half (50.82%) of the Ginnie Mae MSRs are owned by the top five firms.

Table 28. Top 30 Holders of Ginnie Mae Mortgage Servicing Rights (MSRs), by UPB

MSR Holder	*Current*	*Rank Year prior*	*Change*	*UPB ($)*	*Share*	*Cumulative Share*	*CPR*	*CDR*
Lakeview Loan Servicing	1	1	↔	$359,549,370,260	15.0%	15.04%	7.57%	1.01%
DBA Freedom Mortgage	2	2	↔	$315,919,174,305	13.2%	28.25%	7.25%	0.55%
PennyMac Loan Service	3	3	↔	$280,517,889,268	11.7%	39.98%	7.18%	0.89%
Newrez LLC	4	5	↑	$132,692,947,366	5.5%	45.53%	7.12%	0.71%
Mr. Cooper (Nationstar)	5	4	↓	$126,452,753,233	5.3%	50.82%	7.77%	1.34%
Carrington Mortgage	6	8	↑	$113,426,019,030	4.7%	55.57%	6.58%	0.80%
Rocket Mortgage	7	7	↔	$112,810,537,706	4.7%	60.28%	8.36%	0.27%
Wells Fargo Bank	8	6	↓	$93,609,686,287	3.9%	64.20%	5.83%	0.21%
Planet Home Lending	9	10	↑	$72,255,244,547	3.0%	67.22%	6.28%	0.23%
U.S. Bank	10	9	↓	$56,941,141,787	2.4%	69.60%	5.21%	0.42%
LoanDepot	11	13	↑	$38,274,652,779	1.6%	71.20%	8.17%	1.60%
United Wholesale Mortgage	12	11	↓	$36,035,387,283	1.5%	72.71%	5.38%	1.32%
Navy Federal Credit Union	13	16	↑	$32,621,816,764	1.4%	74.07%	6.11%	0.27%
Mortgage Research Center	14	15	↑	$30,186,069,230	1.3%	75.34%	11.46%	0.87%
M&T Bank	15	N/R	↑	$26,340,008,827	1.1%	76.44%	6.24%	0.33%
Guild Mortgage Company	16	16	↔	$25,172,877,353	1.1%	77.49%	6.16%	0.38%
AmeriHome Mortgage	17	12	↓	$24,824,537,270	1.0%	78.53%	9.87%	1.57%
CrossCountry Mortgage	18	19	↑	$22,986,720,356	1.0%	79.49%	8.89%	2.54%
The Money Source	19	17	↑	$22,542,166,412	0.9%	80.43%	6.83%	0.79%
New American Funding	20	21	↑	$21,354,623,318	0.9%	81.33%	6.94%	0.85%
CMG Mortgage	21	23	↑	$20,700,518,399	0.9%	82.19%	7.44%	1.72%
Movement Mortgage	22	22	↔	$20,587,344,676	0.9%	83.05%	7.16%	0.67%
Truist Bank	23	18	↓	$20,214,202,838	0.8%	83.90%	7.25%	1.06%
Idaho Housing and Finance	24	24	↔	$18,705,420,039	0.8%	84.68%	4.26%	0.87%
Village Capital & Investment	25	20	↓	$18,509,788,984	0.8%	85.46%	19.77%	6.22%
PHH Mortgage Corporation	26	25	↓	$17,164,184,987	0.7%	86.17%	6.66%	0.83%
Citizens Bank, N.A.	27	26	↓	$13,750,225,275	0.6%	86.75%	6.68%	0.20%
Flagstar Bank, N.A.	28	27	↓	$12,161,771,253	0.5%	87.26%	8.92%	1.85%
MidFirst Bank	29	28	↓	$11,068,639,497	0.5%	87.72%	7.49%	2.78%
Sun West Mortgage Co	30	30	↔	$10,547,297,830	0.4%	88.16%	5.65%	0.26%

Sources: Deloitte, Recursion. Notes: Data as of June 2024.

13 AGENCY NONBANK ORIGINATORS

Total Agency nonbank origination shares decreased as of month-end June 2024 by approximately 3.6% MoM. The decrease in nonbank origination share was driven by decreases in Freddie Mac, down 7.7% MoM, and Fannie Mae, down 2.2% MoM. The Ginnie Mae nonbank share fell slightly to 93.0% as of June 2024 and has remained consistently higher than the GSEs.

Figure 50. Agency Nonbank Originator Share (All, Purchase, Refi)

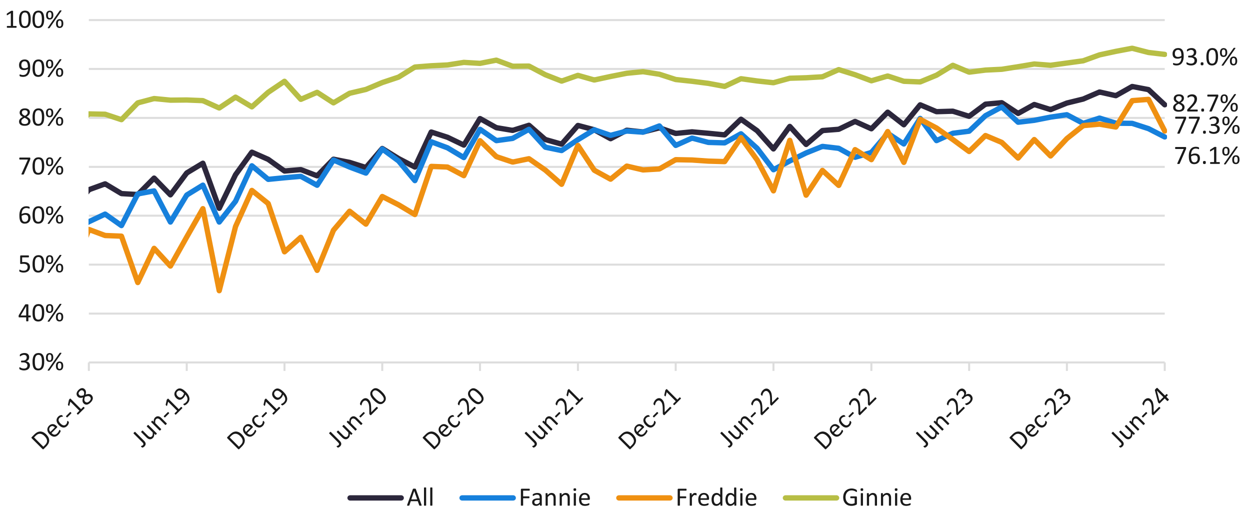


Figure 51. Nonbank Origination Share: Purchase Loans

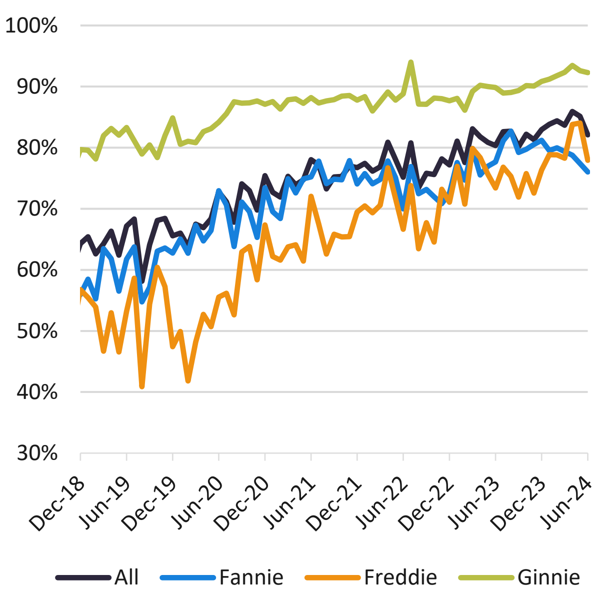
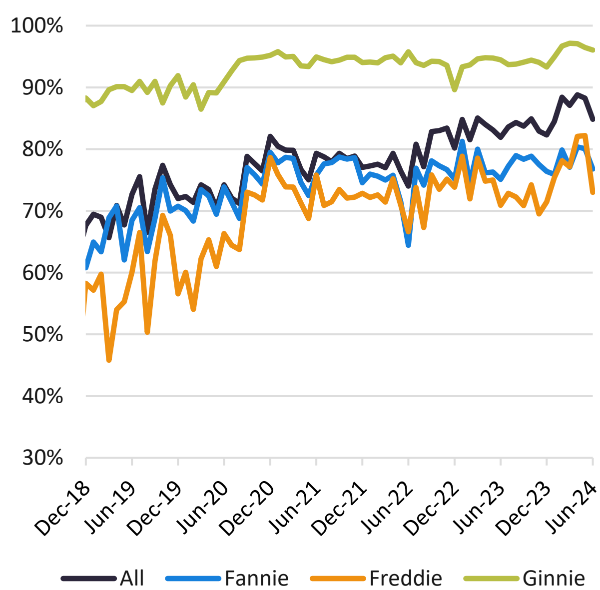


Figure 52. Nonbank Origination Share: Refi Loans



Source: Recursion. Notes: Data as of June 2024.

Ginnie Mae's total nonbank originator share remained relatively stable as of month-end June 2024. Ginnie Mae continues to have a high proportion of nonbank originations, with a rate of 93.0% in June 2024. The percentage of Ginnie Mae's "Other" nonbank refinanced loans decreased to 66.3% in June 2024.

Figure 53. Ginnie Mae Nonbank Originator Share (All, Purchase, Refi)

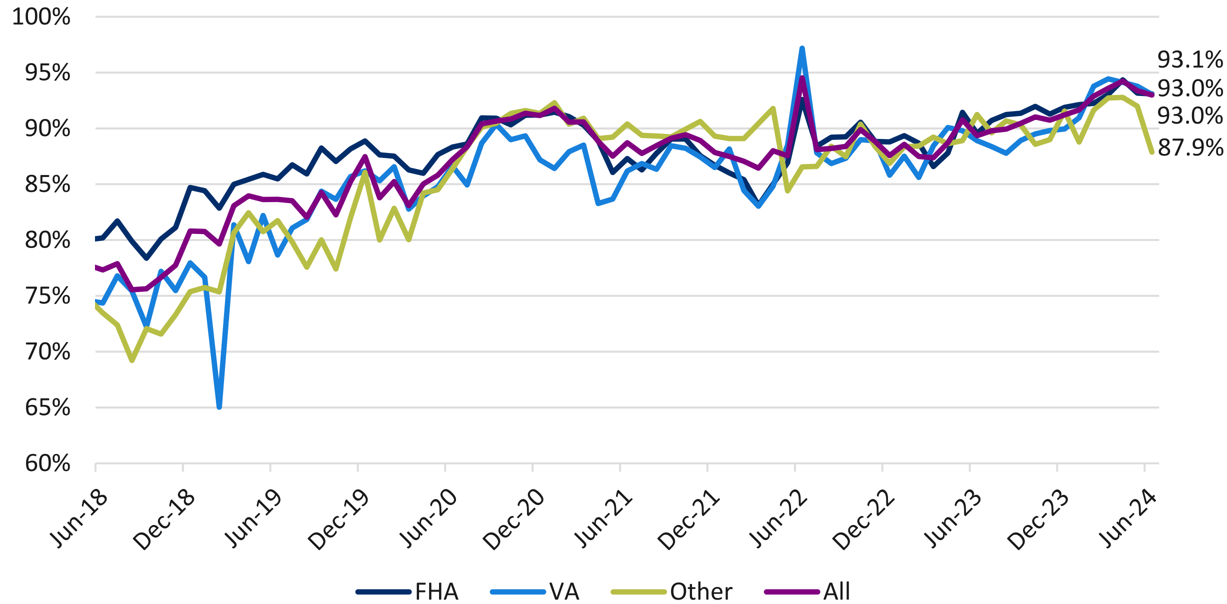


Figure 54. Ginnie Mae Nonbank Share: Purchase Loans

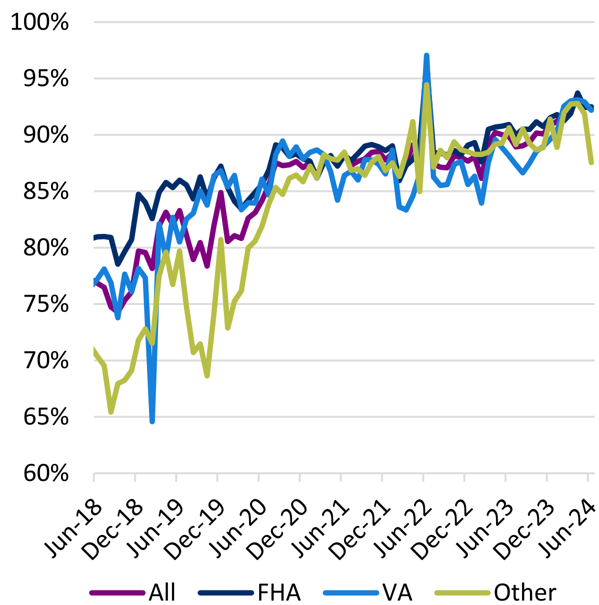
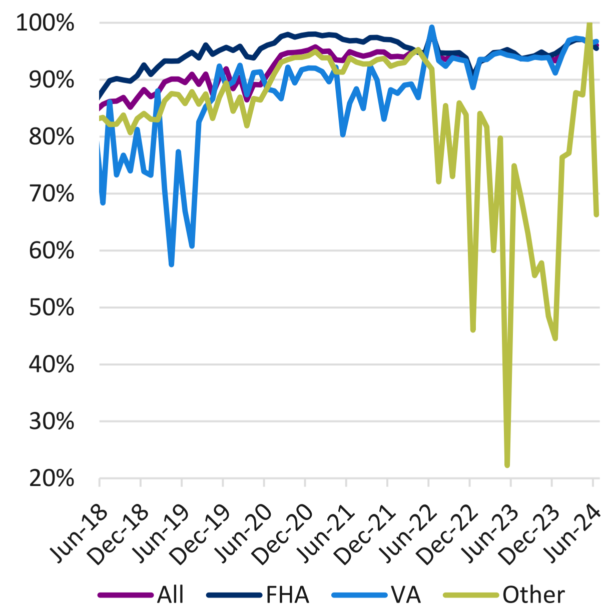


Figure 55. Ginnie Mae Nonbank Share: Refi Loans



Source: Recursion. Notes: Data as of June 2024.

14 BANK VS. NONBANK ORIGINATORS HISTORICAL CREDIT BOX, GINNIE MAE VS. GSE

14.1.1 (FICO, LTV, DTI)

The mortgage loan originations of nonbanks continue to have a consistently lower median FICO score than their bank counterparts across all Agencies. The spread between nonbank and bank FICO scores remained at 21 points from May 2024 to June 2024. The agency median FICO score increased to 742 in June 2024.

Figure 56. Agency FICO: Bank vs. Nonbank

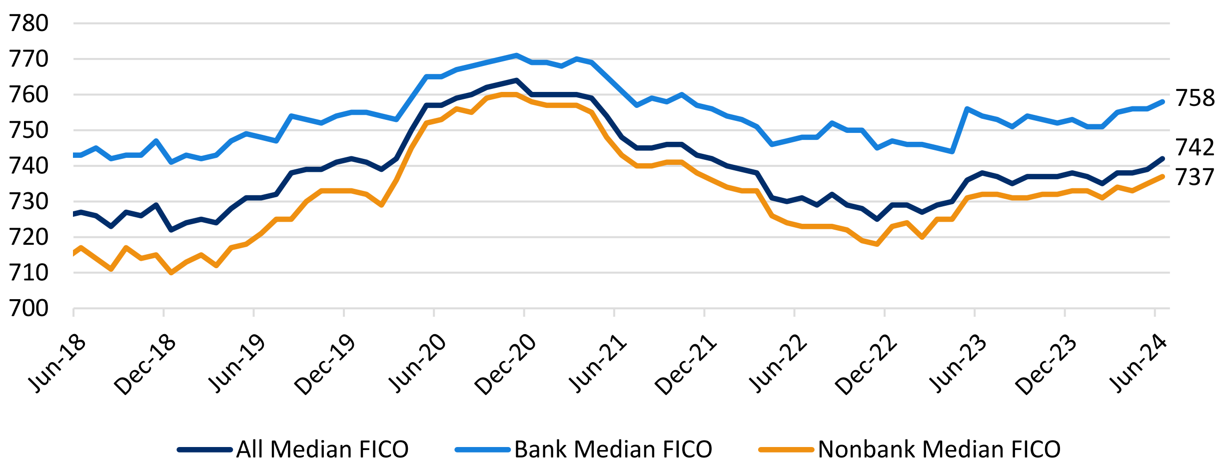


Figure 57. GSE FICO: Bank vs. Nonbank

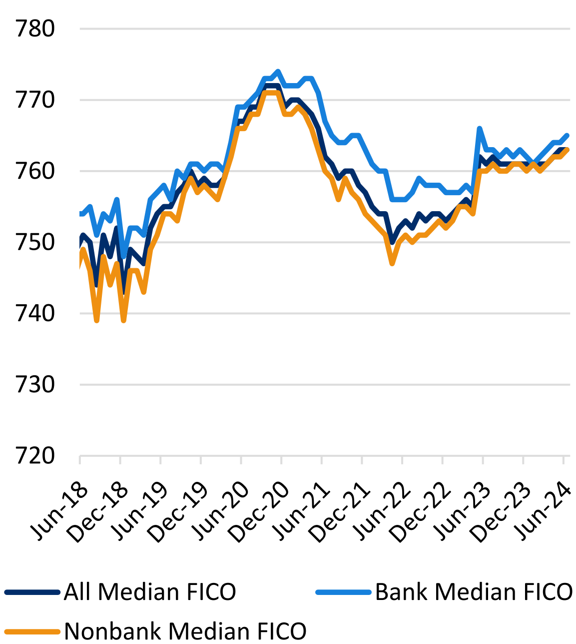
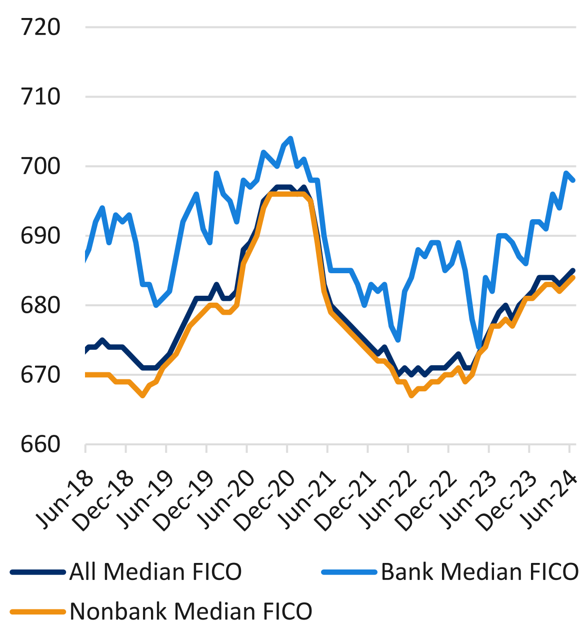


Figure 58. Ginnie Mae FICO: Bank vs. Nonbank



Source: Recursion: Notes: Data as of June 2024.

The median LTV for all GSE originators remained the same as of month-end June 2024 at 80.0%. Ginnie Mae's median bank and nonbank LTV remained flat at 98.2% as of month-end June 2024. Ginnie Mae's median DTI also remained flat at 45.3% through June 2024 in nonbank originations.

Figure 59. GSE LTV: Bank vs. Nonbank

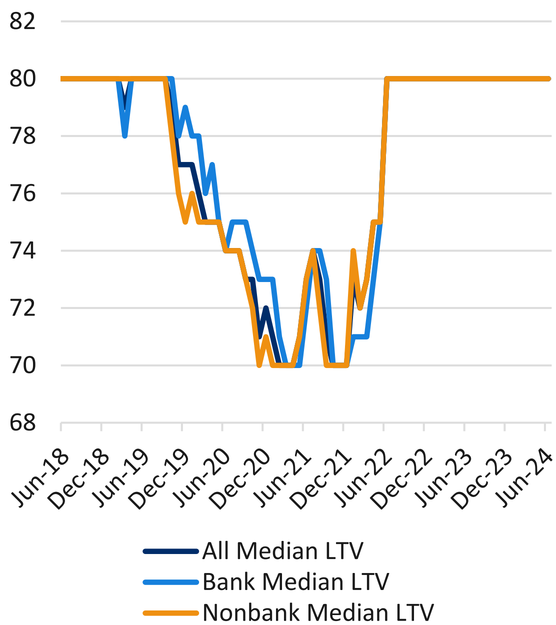


Figure 60. Ginnie Mae LTV: Bank vs. Nonbank

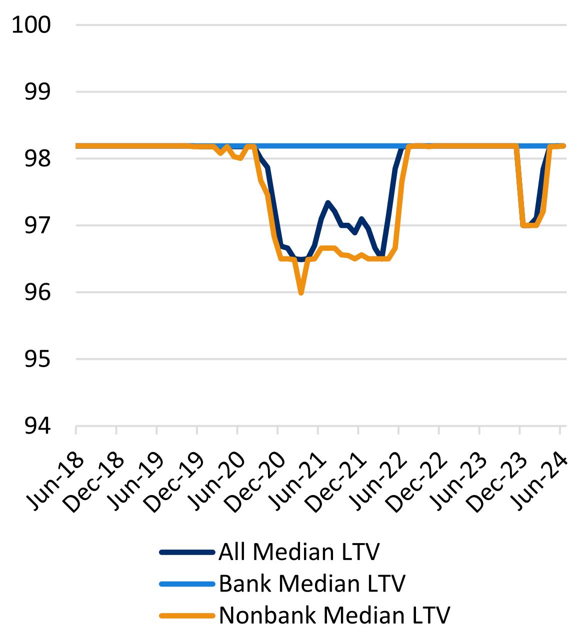


Figure 61. GSE DTI: Bank vs. Nonbank

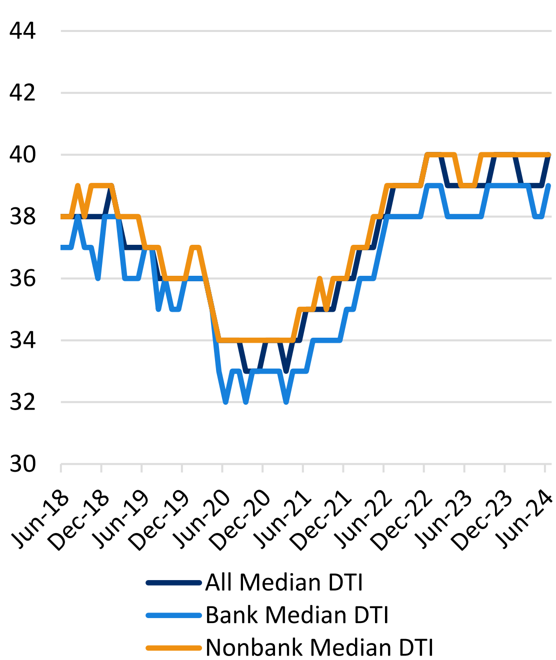
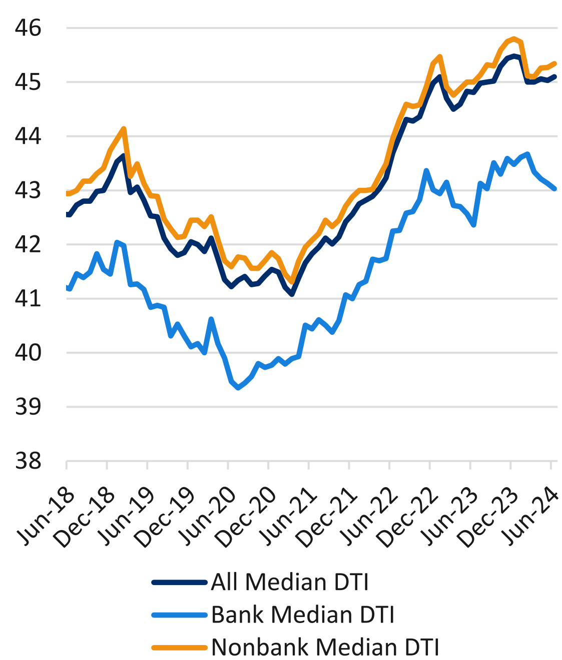


Figure 62. Ginnie Mae DTI: Bank vs. Nonbank



Source: Recursion. Notes: Data as of June 2024.

As of month-end June 2024, the median FICO score for Ginnie Mae bank originations decreased 1 point MtM to 698 and nonbank increased 1 point MtM to 684. The median FICO score for all Ginnie originations rose to 685. The gap between banks and nonbanks is most apparent in "VA" lending (21-point spread).

Figure 63. Ginnie Mae FICO Score: Bank vs. Nonbank

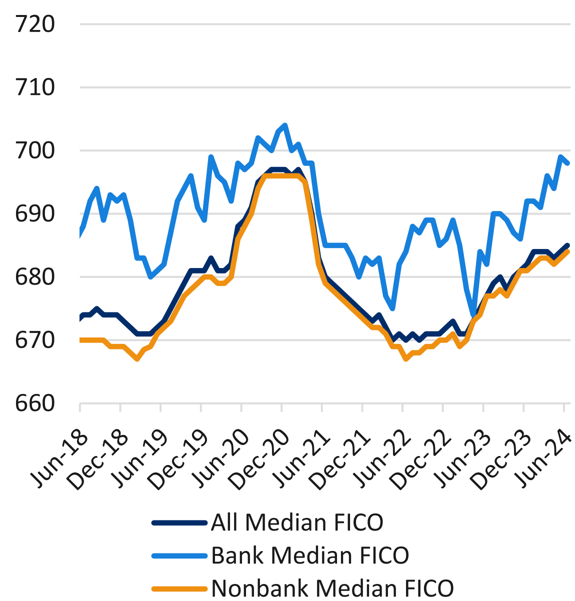


Figure 64. Ginnie Mae FHA FICO Score: Bank vs. Nonbank

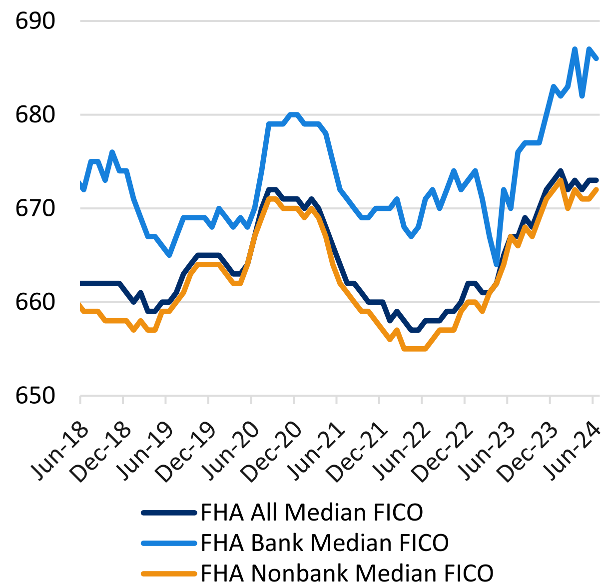


Figure 65. Ginnie Mae VA FICO Score: Bank vs. Nonbank

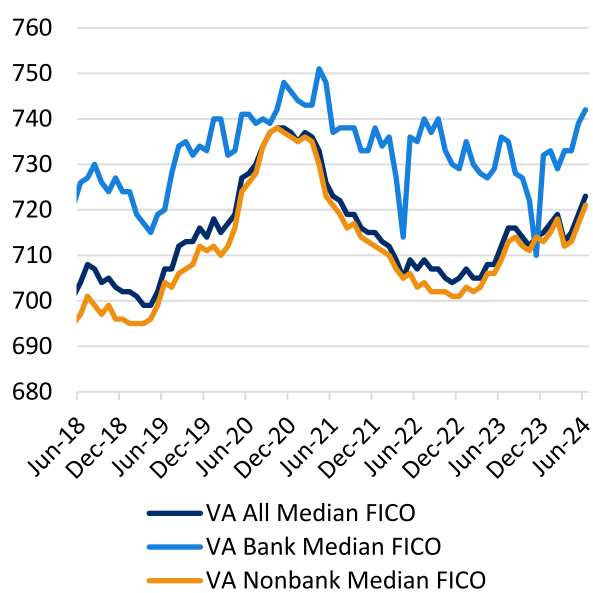
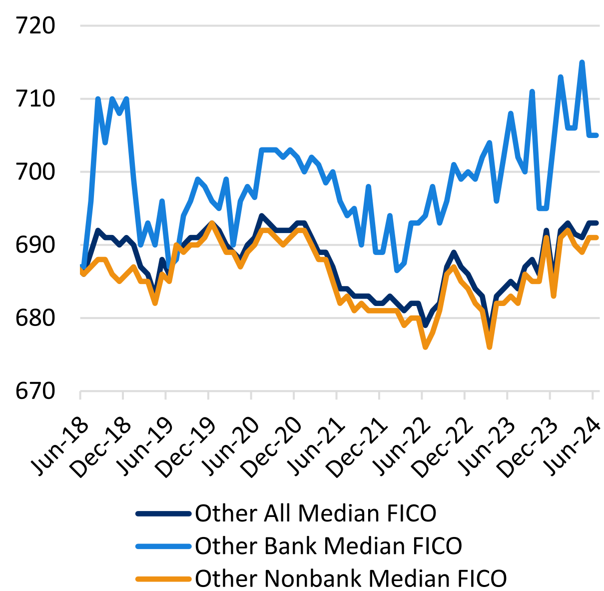


Figure 66. Ginnie Mae Other FICO Score: Bank vs. Nonbank



Source: Recursion. Notes: Data as of June 2024.

Median DTI for Ginnie Mae's nonbank originations has been consistently higher than the median DTI for Ginnie Mae bank originations. This is a trend evident for all Ginnie Mae-eligible loan types except for the "Other" category, where the spread between median bank and nonbank DTI is relatively small.

Figure 67. Ginnie Mae DTI: Bank vs. Nonbank

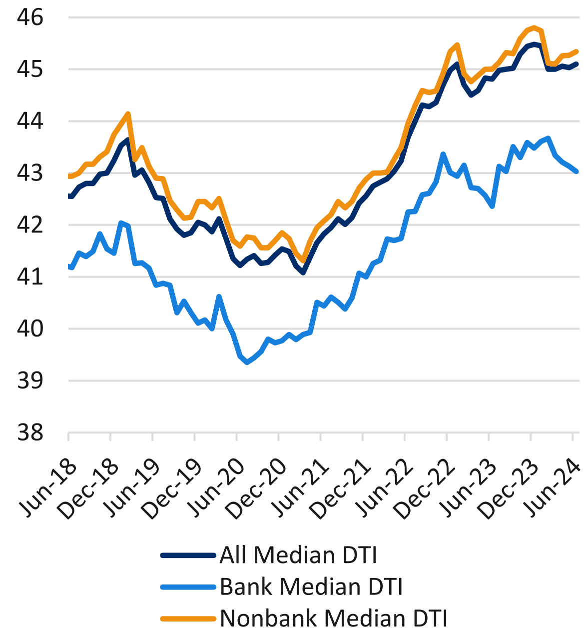


Figure 68. Ginnie Mae FHA DTI: Bank vs. Nonbank

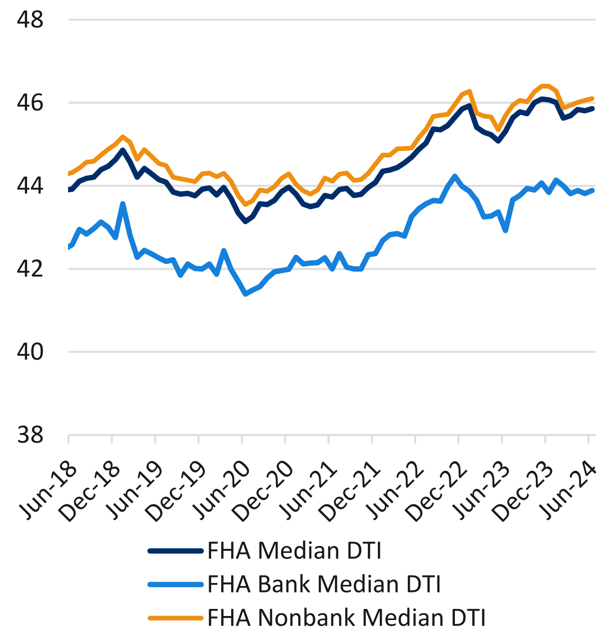


Figure 69. VA DTI: Bank vs. Nonbank

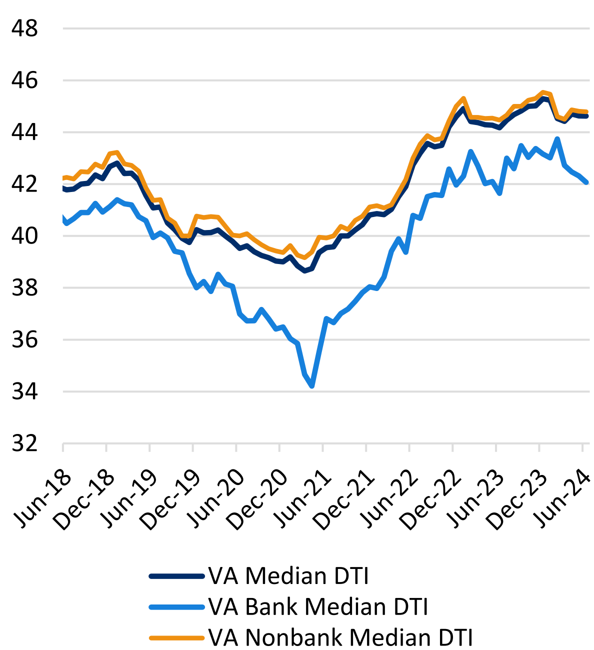
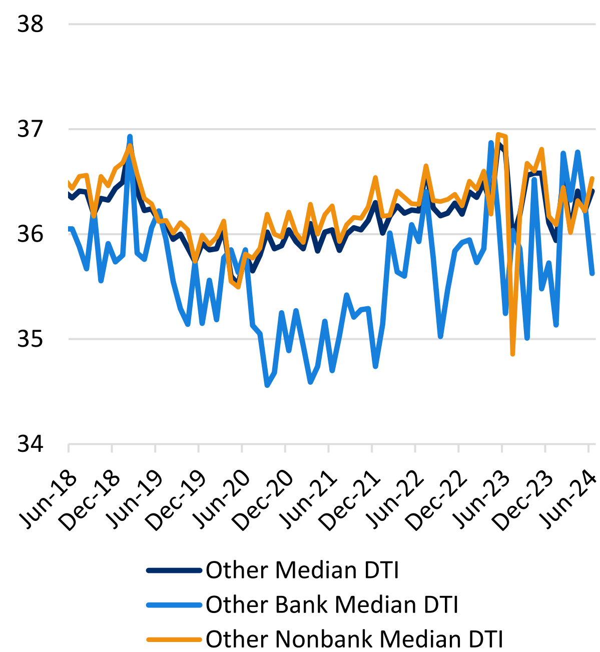


Figure 70. Other DTI: Bank vs. Nonbank



Source: Recursion. Notes: Data as of June 2024.

15 ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

Ginnie Mae Mortgage-Backed Securities are collateralized by loans that facilitate homeownership for low-to-moderate income (LMI) borrowers, veterans, rural borrowers, and others that traditionally experience challenges in their efforts to achieve homeownership or obtain housing. Ginnie Mae is enhancing their disclosures to provide insight into the extent that the securities they guarantee support meaningful environmental and social goals. The timeline below captures the efforts Ginnie Mae has taken to produce ESG disclosures in recent years.

May 2021	LMI “Social” Disclosures (% of loans in LMI Areas)
June 2021	Disclosures revealed approximately $259 billion of Outstanding Ginnie Mae MBS categorized as LMI area loans as defined by HUD’s CDBG
November 2021	Green “Environmental” Status Disclosures Announced identifies Green properties within Multifamily Pools.
March 2022	Full implementation of Green Status Field into Multifamily Disclosures
April 2022	Introduction of Affordable Status Disclosure for Multifamily properties
February 2023	Low-Moderate Income Borrower (LMIB) Disclosure Announced
September 2023	Social Bond Program Introduced
December 2023	ESG Page Enhancement for Platinum Pool Search Results

15.1 Environmental, Social, and Governance: A Summary

Ginnie Mae's guaranty of the securities provides a connection between the primary and secondary mortgage markets that promote access to mortgage credit throughout the Nation for residential and multifamily properties. The table below captures the outcomes Ginnie Mae has seen, both socially and environmentally, through its guaranty program.

Table 29. ESG Metrics – MBS Portfolio (June 2024)

Ginnie Mae's ESG Metrics – MBS Portfolio as of June 2024

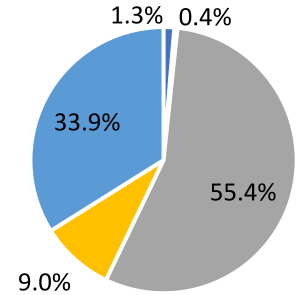
	Targeted Population	Positive Outcomes	Our Commitment	
Social - Affordable	FHA Borrowers – 7,037,872 VA Borrowers – 3,643,093 RHS Borrowers – 776,107 PIH Borrowers – 23,793	**Loans under $200K** 6,507,087 Loans **First-Time Home Buyers** 4,374,602 Loans **Down Payment Assistance** 699,217 Loans	Ginnie Mae was established by Congress in 1968 to offer broad access to credit nationwide with a special emphasis on low- and moderate-income borrowers, and rural, inner-city, and underserved communities. Ginnie Mae securitization provides a unique and sustainable service in making home ownership more affordable, accessible, and equitable for our nation. The proceeds from the sale of Ginnie Mae Primary Issuance MBS are a source of capital to finance the specific residential mortgage loans collateralizing the Ginnie Mae MBS. Ginnie Mae securitization collateral selection is restricted to agency insured mortgages from the following United States Government Agencies. These agencies are the: Federal Housing Administration (FHA), Department of Veterans Affairs (VA), United States Department of Agriculture's Rural Housing Service (USDA-RHS), and HUD Public and Indian Housing (PIH). The combination of these insuring agency programs and Ginnie Mae's guaranty enable housing outcomes for households who might otherwise not be able to obtain mortgage access.	Single Family
Social - Affordable	Low-to-Moderate Income Borrowers (LMI)	3,274,988 Loans		Single Family
Social - Affordable	LMI Majority Census Tract Loans	1,760,353 Loans		Single Family
Social - Affordable	Borrowers Facing Difficulties	792,314 modifications with over 771,765 in partial claims	Ginnie Mae has been integral to the federal actions to prevent foreclosure for homeowners experiencing financial hardship.	Single Family
Social - Affordable	Senior Citizens Aging in Place	272,864 Home Equity Convertible Mortgages (HECM) or Reverse	Ginnie Mae has developed the securities market for the FHA HECM (Reverse Mortgage) program which provides senior citizens a vehicle for accessing the equity in their homes.	HECM
Social - Affordable	Multifamily Housing (MF)	1.316 million apartment homes 493,299 healthcare living units	Affordable rental housing is in critically short supply. Government lending and subsidy programs support preservation and creation of new affordable housing units nationwide.	Multi-Family
Social - Affordable	MF Affordable	5,025 MF loans are either Green, Affordable, or both	Ginnie Mae provides information to investors via its monthly bond disclosure on multifamily investments that meet FHA's MF Green Mortgage Insurance Premium (MIP) Discount Qualified Mortgages and those loans meeting FHA's MF Broadly Affordable and Affordable requirements.	Multi-Family
Green	MF Green			Multi-Family

15.2 Environmental

Table 30. UPB by ESG Status

ESG Status	UPB	%
Green/Affordable	$1,081,368,451	0.7%
Green/Broadly Affordable	$317,556,078	0.2%
Green/Market	$46,211,976,496	29.0%
Green Total	$47,610,901,025	29.9%
Affordable[9]	$7,468,108,173	4.7%
Broadly Affordable[9]	$28,263,565,879	17.8%
Affordable Total	$37,130,598,580	23.3%
ESG Total[10]	$83,342,575,077	52.4%
Total	**$159,117,409,387**	**100.0%**

Figure 71. Composition of Ginnie Mae Green Status and Affordable Multifamily Collateral



Much of Ginnie Mae's environmental impact is made through its Multifamily programs. Around 29.9% of Ginnie Mae collateral are "Green"-certified, as defined by the multiple organizations that sponsor and maintain green building certifications, including the U.S. Green Building Council, Energy Star, Greenpoint, and the National Green Building Standard, just to name a few. Additionally, roughly 23.3% of Ginnie Mae Multifamily collateral is "Affordable" or "Broadly Affordable". In total 52.4% of Ginnie Mae's Multifamily collateral is considered ESG.

15.3 Social

With the introduction of Ginnie Mae's new social disclosures, investors can now identify the number of underlying loans made to LMI borrowers, the percentage of LMI loan count out of total loan count, the unpaid principal balance (UPB) of LMI loans in the MBS, and the percentage of LMI UPB out of total MBS UPB. The borrower household income and address data, received from the government's insuring and guarantying agencies, is compared against the appropriate Federal Financial Institution's Examination Council (FFIEC) Area Median Income (AMI) database by loan origination year. If the borrower income is less than 80% of the AMI value in the associated census tract, their mortgage will be flagged as an LMI loan. In September 2023, Ginnie Mae launched its Social Bond update to its Single-Family Forward MBS program and its Social Impact and Sustainability Framework. These enhancements highlight the structural aspects of Ginnie Mae's mission and program to expand broader access to mortgage financing, affordable homeownership, and rental opportunities for historically underserved communities. In December 2023, Ginnie Mae added Low/Moderate Geographic Area Values and Low/Moderate Borrower Income Values to its Platinum pool securities including UPB amount and UPB percentage.

Sources: Ginnie Mae Disclosures as of June 2024, https://www.hud.gov/program_offices/housing/mfh/green

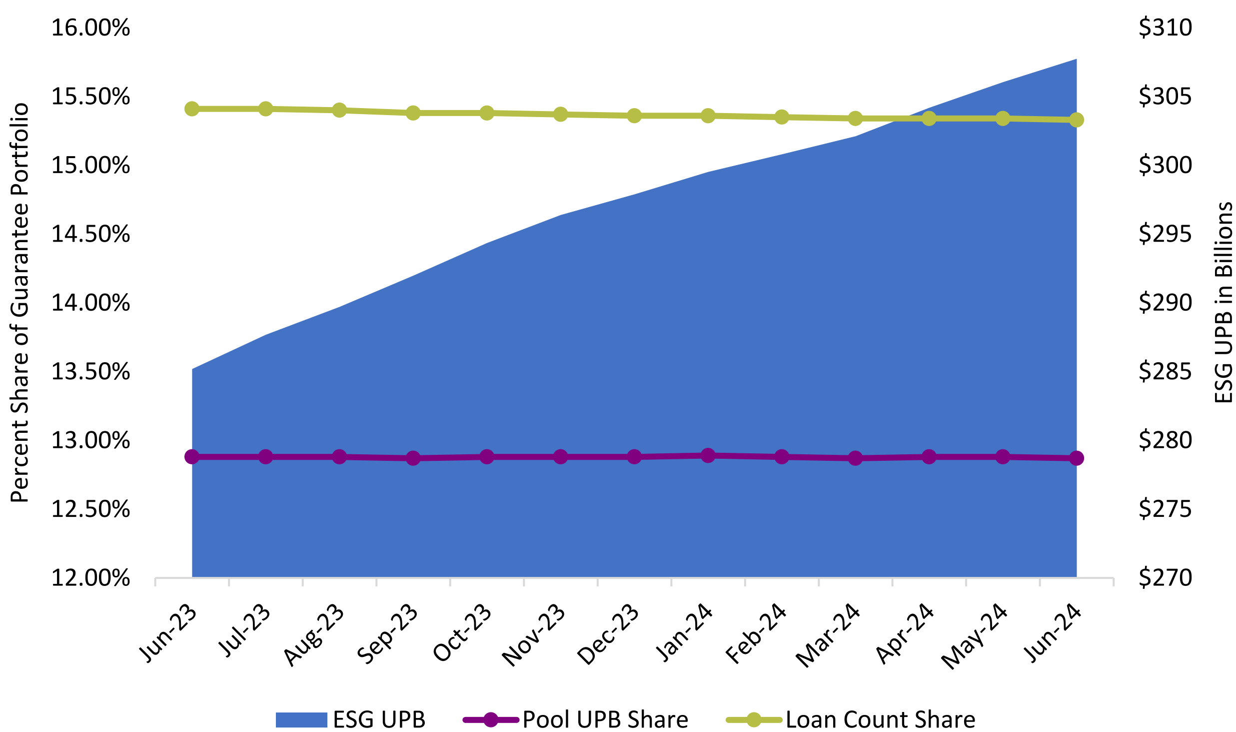
[9] *"Affordable" and "Broadly Affordable" removes "Green/Affordable" and "Green/Broadly Affordable" from the UPB total. Affordable total includes both Green and Not Green.*

[10] *ESG Total includes Green & Affordable Total*

15.3.1 Low-to-Moderate Income Borrowers

Roughly $308 billion of Ginnie Mae Single-Family collateral and over 1.7 million loans outstanding have been issued to low to moderate income borrowers. Total ESG UPB increased by approximately $23 billion YoY.

Figure 72. ESG Share of the Outstanding SF Portfolio



Source: Ginnie Mae Disclosures as of June 2024

The UPB of pools that are made up of 20% or more LMI loans make up over 9% of total pool UPB. These pools have slightly higher LTV, marginally lower FICO scores, and substantially lower loan sizes than pools made up of less than 20% LMI loans. The UPB of pools that are made up of less than 20% LMI loans make up roughly 91% of total UPB.

Table 31. Percent LMI by Pool Share

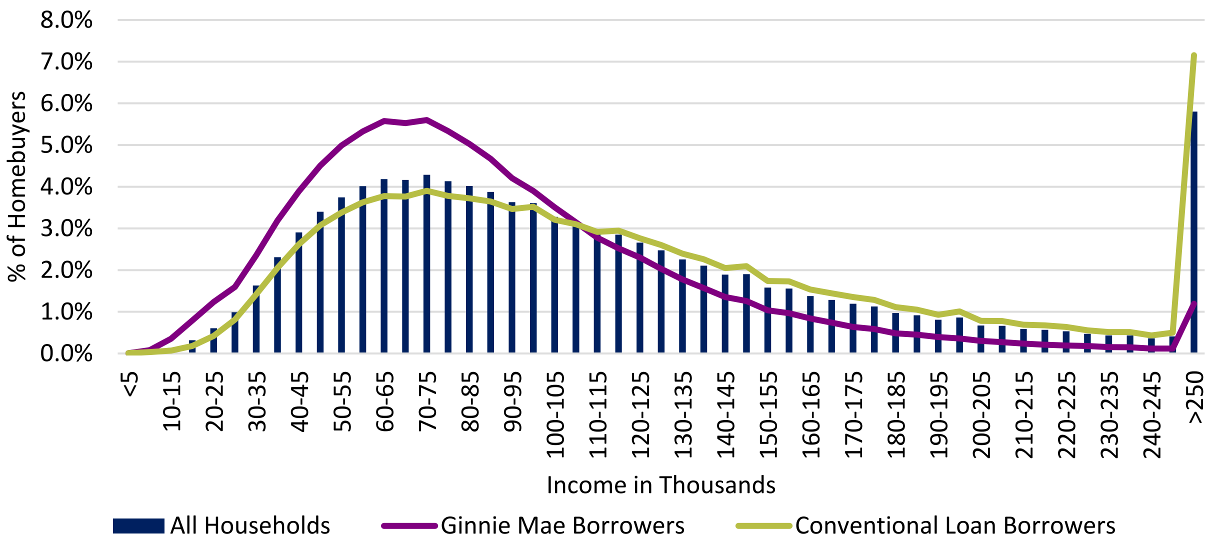
Metric	LMI Pool Share >50%	LMI Pool Share 20% - 50%	LMI Share < 20%	All Pools
Total UPB ($ billions)	$8.8	$209.2	$2,119.4	$2,337.4
Average Original Loan Size	$183,103	$198,016	$344,146	$330,462
Credit Score (Median)	674	675	679	677
DTI (Median)	41%	40%	41%	41%
LTV (Median)	97%	96%	95%	96%
Interest Rate (WA)	4.89%	4.77%	4.06%	4.13%

Source: Ginnie Mae Disclosures as of June 2024

15.3.2 Purchase and Refinance Origination by Income Bracket

Over 18% of all purchase and refinance loan originations guaranteed by Ginnie Mae are to households with income less than $50,000 compared to 10.7% of the Government Sponsored Entities (GSEs) Single-Family guarantee portfolio. Additionally, over 68% of these loan originations guaranteed by Ginnie Mae are to households with income less than $100,000 compared to 47.3% at the GSEs.

Figure 73. Income Distribution of Homebuyers Served Under Ginnie Mae Program



Source: Home Mortgage Disclosure Act (HMDA) data as of 2022

U.S. HOUSING MARKET

16 HOUSING AFFORDABILITY

16.1 Housing Affordability – Home Price Appreciation

Quarterly home prices increased in seven of the nine regions in Q1 2024. The New England and West North Central regions saw the largest quarterly appreciation in the home price index (HPI) of 1.54% and 1.41%, respectfully. The East South Central and Middle Atlantic regions saw a QoQ decrease in HPI of around 0.02% each. The New England region has appreciated more than any other region over the past year, increasing by 9.21% from Q1 2023 to Q1 2024. The United States collectively saw a 6.6% rise in HPI YoY; up from a 4.63% YoY HPI in Q1 2023.

Figure 74. Regional HPI Trend Analysis Q/Q

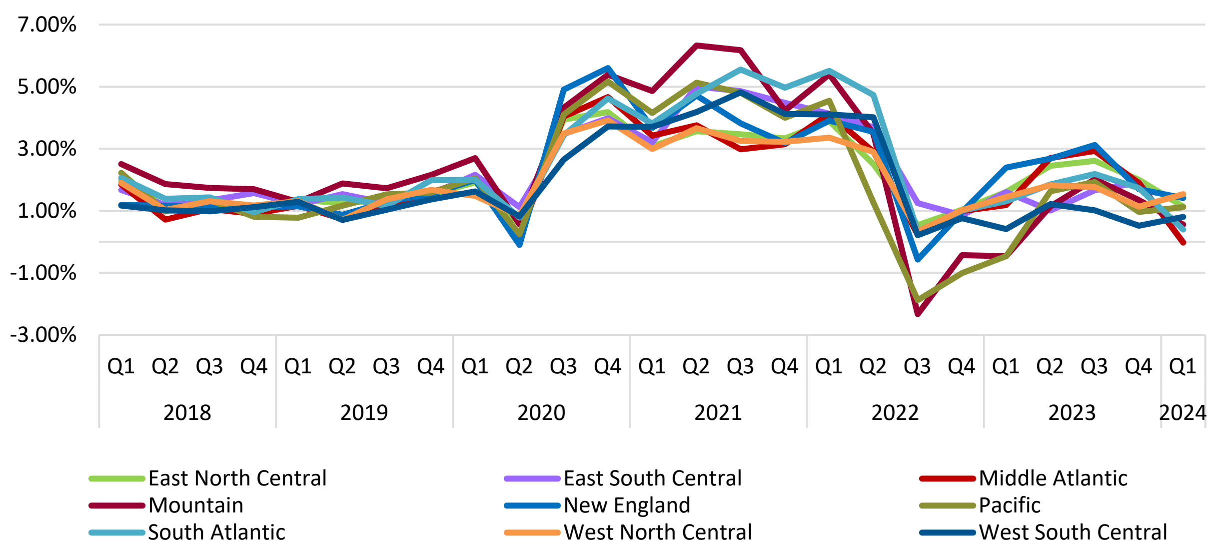
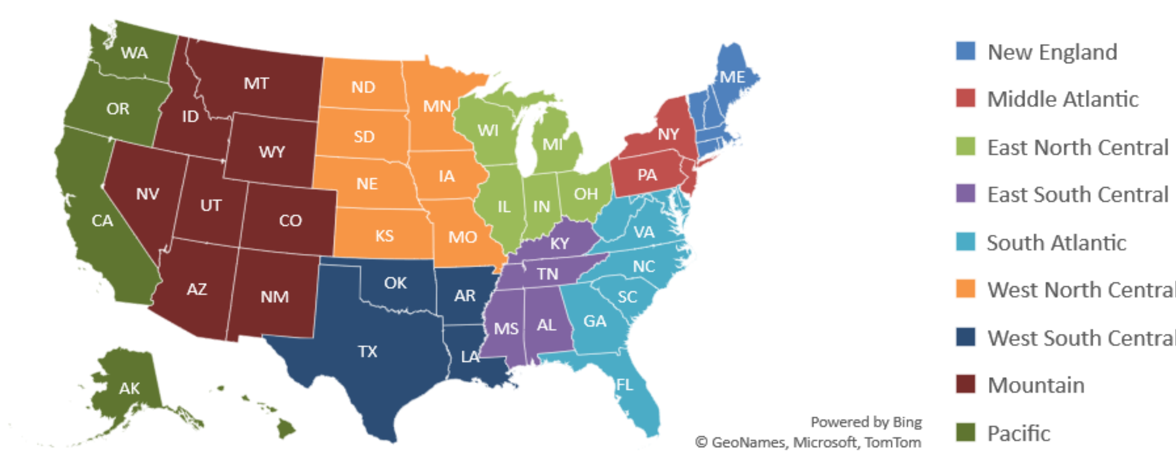


Figure 75. FHFA U.S. Census Subregions as defined by the U.S. Census Bureau



Source: HPI data from FHFA and is seasonally adjusted. U.S. Census Subregions as defined by the U.S. Census Bureau.

16.2 Housing Affordability – Inflation, Wages, and the Price of Real Estate

As of month-end June 2024, YoY inflation was 3.0%, decreasing from 3.3% in the month prior. Nationally, rents are up 0.70% YoY as of month-end June 2024. The MoM change in median rents from May 2024 to June 2024 increased by 0.20%. YoY change in wage growth declined for the second consecutive month, printing at 4.9% at month-end March 2024. Month-end April 2024 adjusted reporting data shows home price appreciation increased 6.3% YoY.

Figure 76. Inflation | 12-Month Percent Change in CPI

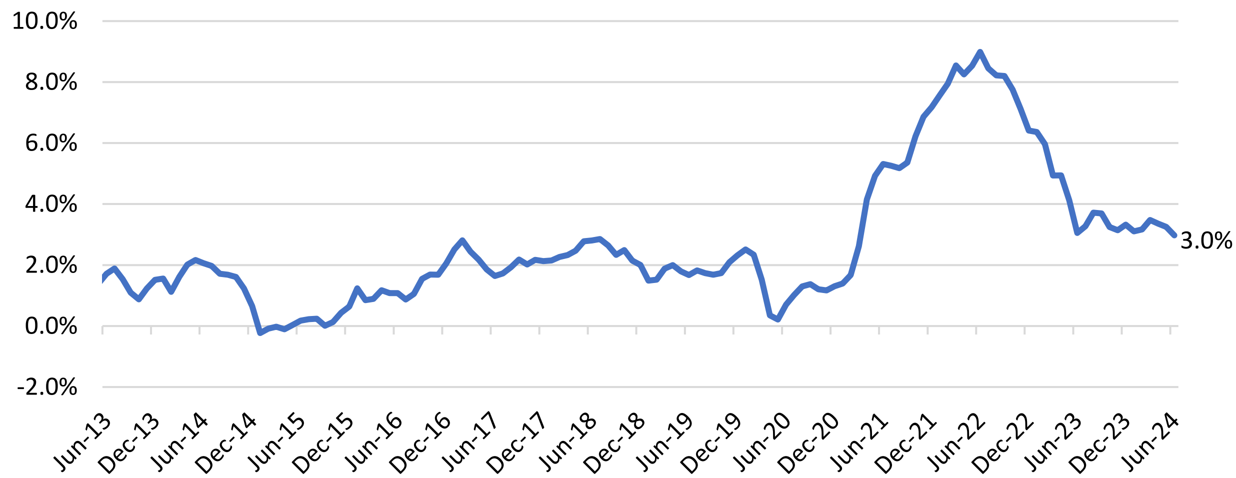
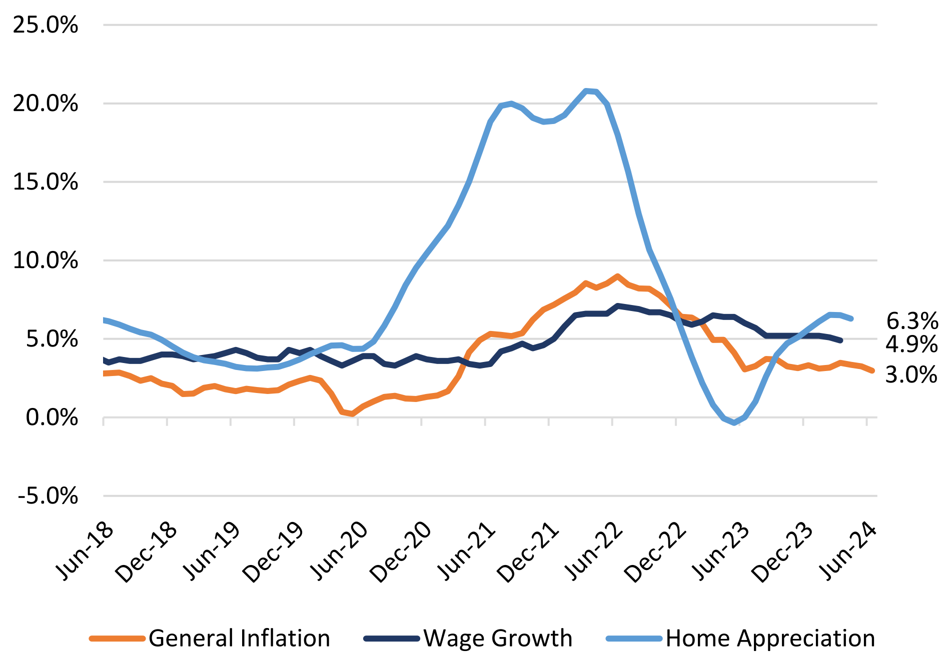


Figure 77. Asset Price Appreciation vs. Wage Increases



Metric	*Statistic*
General Inflation	*3.0%*
Home Price Appreciation *(YoY)*	*6.3%*
Rental Price Appreciation *(Median Rent Change YoY)*	*0.70%*
Wage Growth	*4.9%*

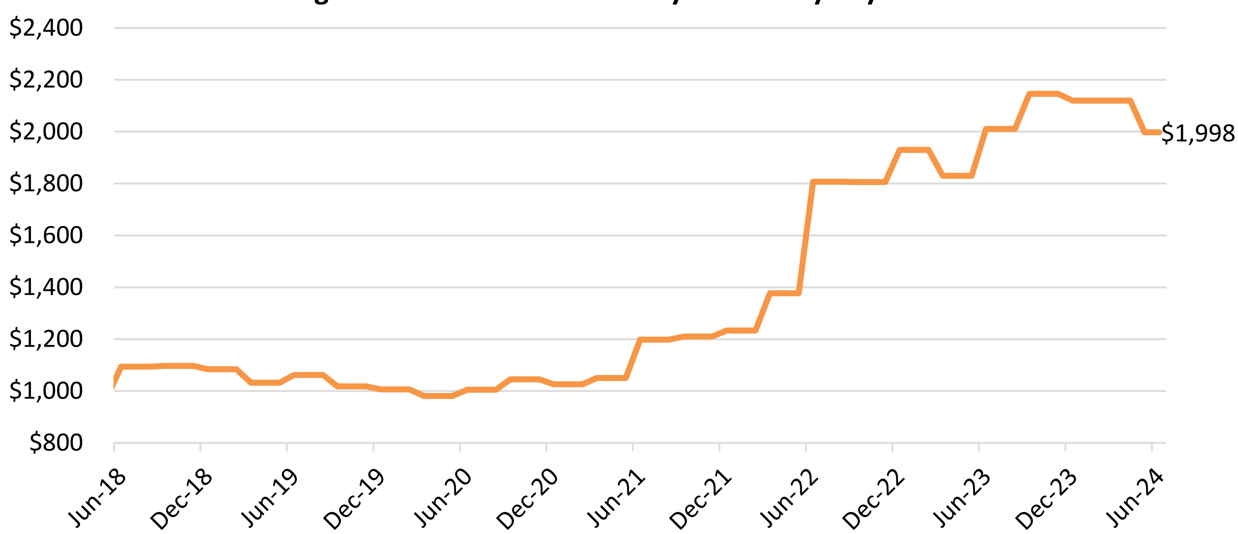
Sources: Bureau of Labor Statistics – Consumer Price Index; Federal Reserve Bank of Atlanta, Research and Data - Wage-Growth Data (currently undergoing maintenance); Redfin.com - Rental Price Appreciation; S&P/Case-Schiller U.S. National Home Price Index – Home Price Appreciation.

16.2.1 Housing Affordability – Affordability Index

As of month-end June 2024, the Homebuyer Affordability Fixed Mortgage (HAFM) Index was 95.9 and the First-Time Homebuyer Monthly Payment (FTMP), which represents the median payment for first-time homebuyers, was $1,998. The HAFM Index increased 2.35% YoY from its value of 93.7 in June 2023, while the monthly payments for first-time homebuyers decreased approximately 0.65% YoY. HAFM has decreased 48.9% and FTMP has increased 94.7% since January 2021.

Figure 78. Homebuyer Affordability Fixed Mortgage Index

Figure 79. First-Time Homebuyer Monthly Payment

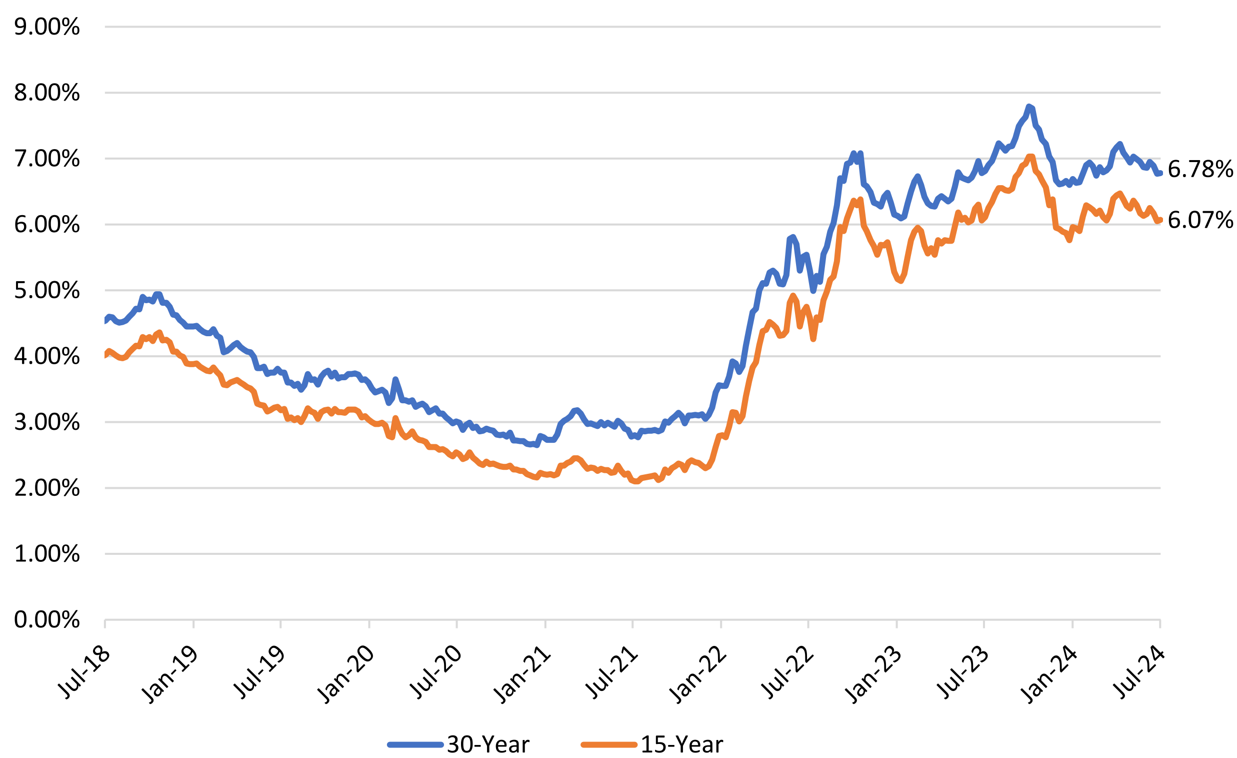


Source: Bloomberg as of June 2024. Note: Housing Affordability Index: Value of 100 means that a family with the median income has exactly enough income to qualify for a mortgage on a median-priced home. An index above 100 signifies that a family earning the median income has more than enough income to qualify for a mortgage loan on a median-priced home, assuming a 20 percent down payment. This index is calculated for fixed rate mortgages.

16.2.2 Housing Affordability – Mortgage Rate Trends

The Federal Reserve maintained the Federal Funds target rate on June 12, 2024, at a range of 5.25% and 5.50% per the FOMC[11]. As of July 25, 2024, the average 30-year and 15-year fixed rate mortgage rates were 6.78% and 6.07%, respectively. The average 30-year fixed rate mortgage rate decreased 17 bps and the average 15-year fixed rate mortgage rate decreased 10 bps from June 13, 2024.

Figure 80. Average Fixed Rate Mortgage Rates



Source: FRED data as of July 2024

[11] Federal Reserve Board - Federal Reserve issues FOMC statement

16.3 Housing Inventory

As of June 2024, there were 9.3 months of new housing inventory on the market, increasing 2.2% MoM from an adjusted 9.1 months in May 2024. **Figures 82 and 83** show Single-Family and Multifamily Housing metrics, including the number of permits, starts, and completions. From June 2023 to June 2024, the number of Single-Family completions rose 2.7% and the number of starts and permits also rose 14.2% and 10.4%, respectively. Multifamily metrics show that from June 2023 to June 2024, the number of completions rose 13.4%, while the number of starts and permits fell 43.3% and 24.1%, respectively.

Figure 81. Single-Family Housing Inventory

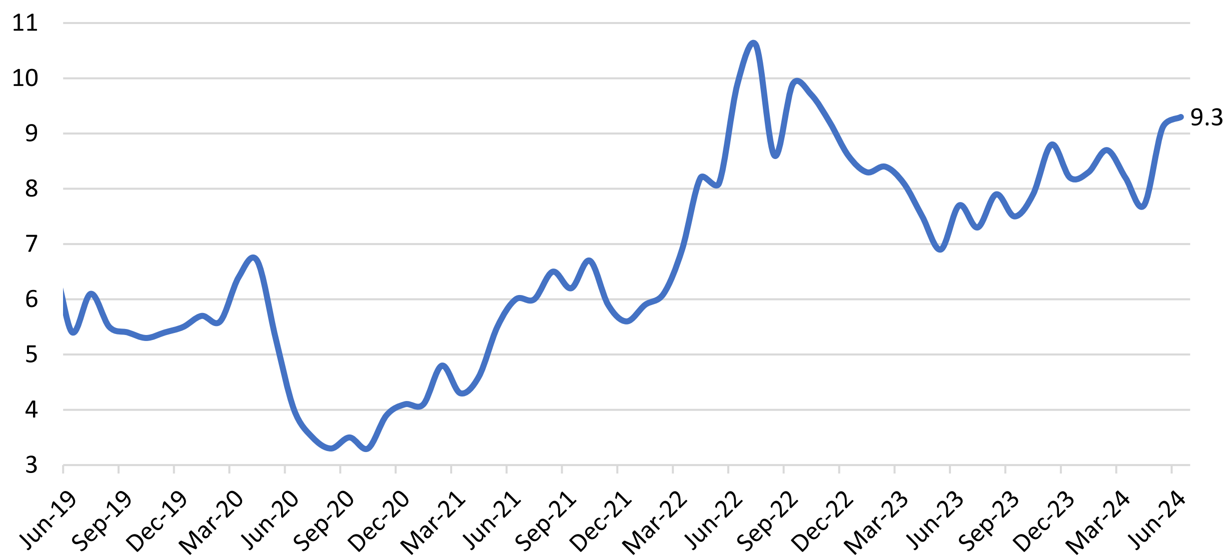


Figure 82. Single-Family Construction Metrics: Permits, Starts, Completions

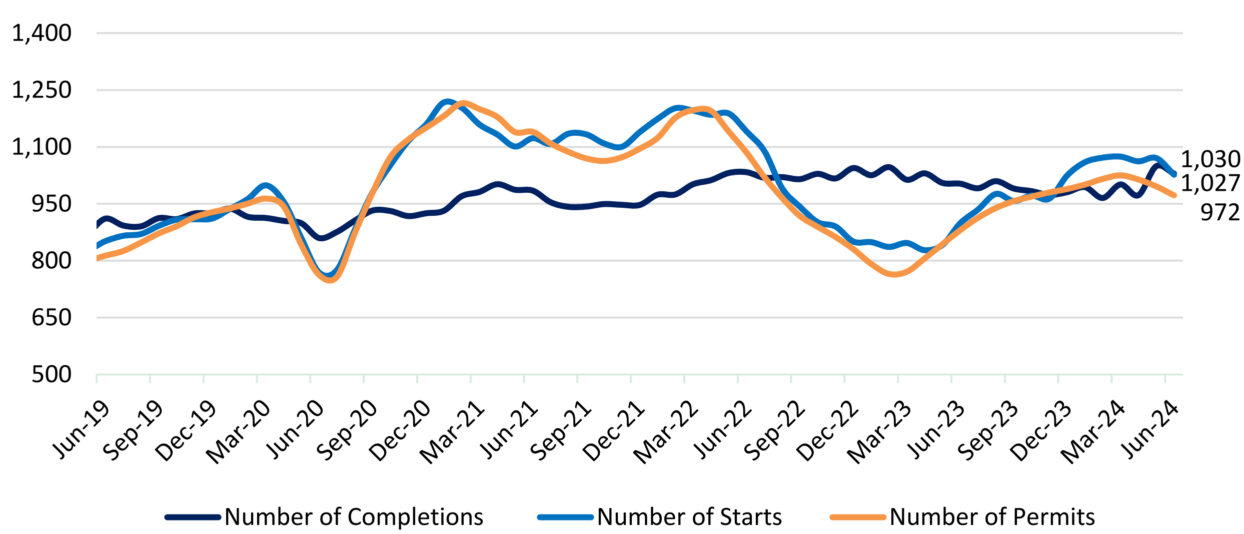
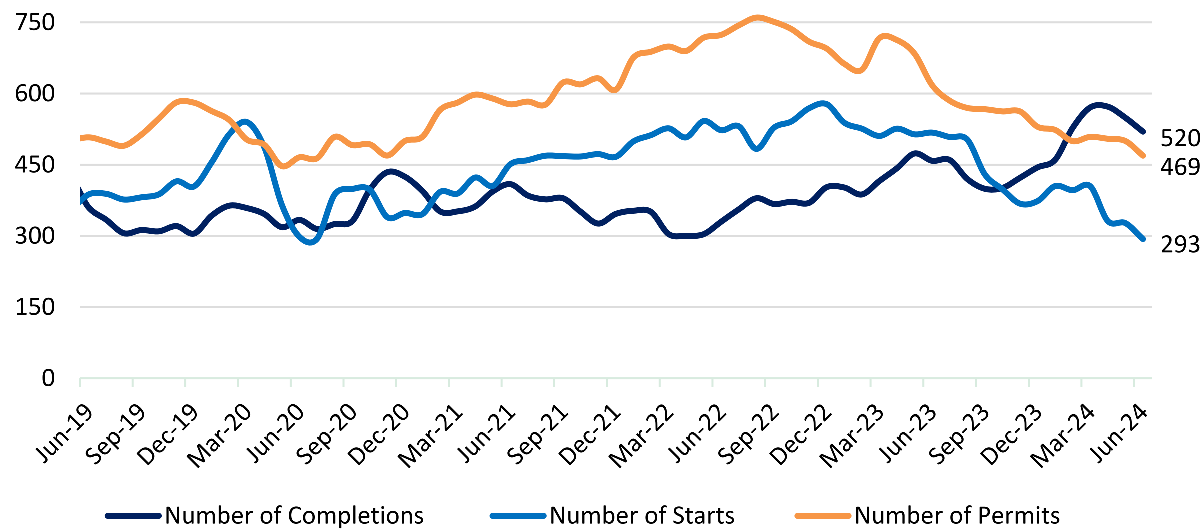


Figure 83. Multifamily Constructions Metrics: Permits, Starts, Completions



Source: FRED. Figure 81: data as of June 2024. New Residential Construction, U.S. Census Bureau. Figures 82 & 83: data as of June 2024. Note: Figures 82 & 83 are calculated using a 3-month moving average to identify underlying trends in construction metrics, in thousands of units.

16.4 Size and Value of the U.S. Housing Market

The total value of the Single-Family housing market increased from $44.9 trillion in 2023 to $45.8 trillion in Q1 2024. The total value of the US housing market is up approximately 140% from its low in 2011. From Q1 2023 to Q1 2024 mortgage debt outstanding increased from $12.5 trillion to $13.1 trillion and household equity increased from $28.7 trillion to $32.8 trillion. Agency Single-Family MBS continues to account for a growing percentage of the total mortgage debt outstanding, at roughly $9.1 trillion in Q1 2024 it represents more than 65% of total mortgage debt, up from just 52% in 2011.

Figure 84. Value of the U.S. Housing Market

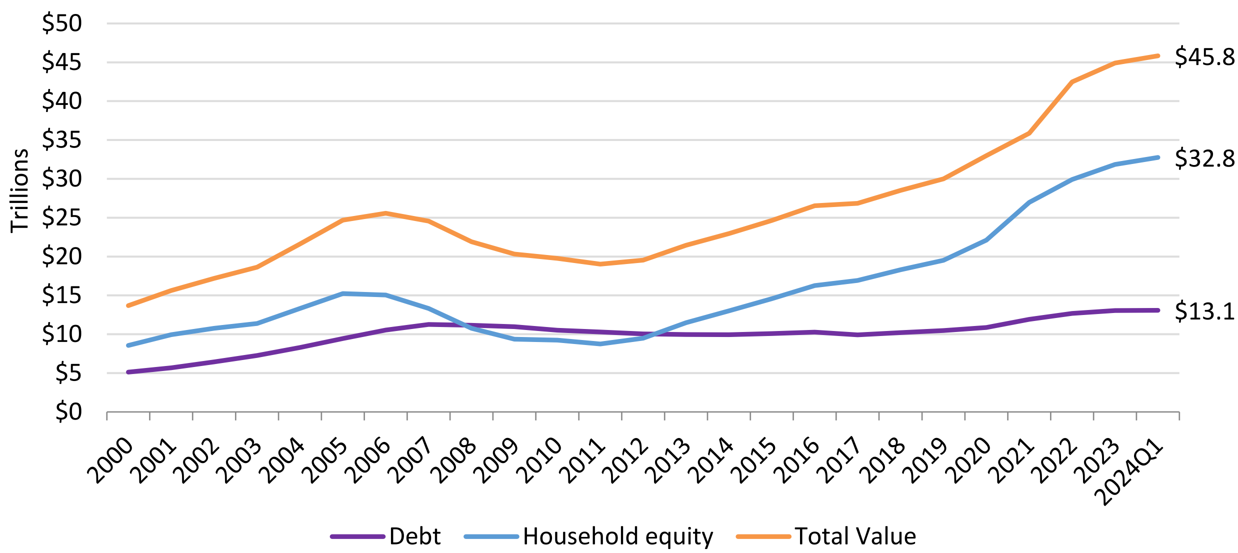
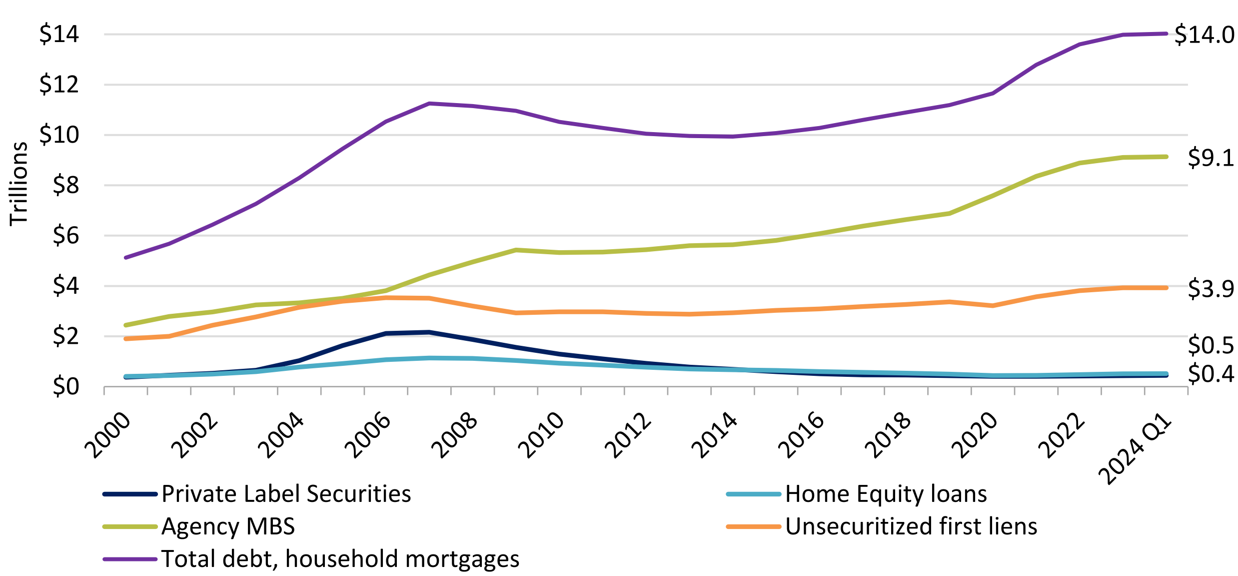


Figure 85. Size of the U.S. Residential Mortgage Market



Source: Federal Reserve Flow of Funds Data as of Q1 2024. Total debt in figure 85 includes additional Nonfinancial corporate/noncorporate business mortgages which is not included in the calculation for "debt" for figure 84. Figures are rounded to nearest hundred billion.

17 DISCLOSURE

"The data provided in the Global Markets Analysis Report (hereinafter, the "report") should be considered as general information only and is current only as of its specified date, unless otherwise noted. No information contained herein is, and should not be construed to be, investment advice. Nor does any information contained herein constitute an offer to sell, or is a solicitation of an offer to buy, securities.

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