



Fannie Mae Refinance Application-Level Index (RALI) Frequently Asked Questions (FAQs)

Q1. What is the Refinance Application-Level Index (RALI)?

The RALI is a weekly data series used to provide the market timely, comprehensive, and ongoing tracking of refinance activity and historical trends based on data from Fannie Mae's automated underwriting system, Desktop Underwriter® (DU®). View the [methodology](#) for details on how the index is constructed.

Q2. How often is the data released?

The data is scheduled to be released weekly at 10:00 a.m. on Tuesdays, except when Monday or Tuesday is a holiday, reflecting application activity from the preceding week (Saturday through Friday). In the event of a holiday occurring on a Monday or Tuesday, the index will be published on Wednesday for that week.

Q3. Why is the week defined as Saturday to Friday? Does this impact index volumes?

The week is defined as Saturday to Friday to capture the application activities in the standard business week and aligns with the normal mortgage industry practice. As long as the week definition captures the same five business days it will not materially impact index values.

Q4. Does RALI report how many borrowers applied to refinance their loan each week?

The index does not report the raw number of applications, and thus cannot be used to determine the number of borrowers who applied for refinance of an existing loan. Instead, the RALI can be used to understand changes in the level of refinance activity for both application count and unpaid principal balance (UPB).

Q5. How much of the mortgage origination market is covered by DU?

The RALI leverages the majority market share of DU and thus provides a comprehensive real-time and historical view of refinance application activity. Based on Home Mortgage Disclosure Act (HMDA) data from 2018 through 2020, a majority of loans used DU in the underwriting process, and it was the most widely used underwriting engine in that timeframe. Based on our analysis of HMDA data, DU processed 4.6 million closed refinance loans, worth around \$1.3 trillion in originations, in 2020.

Q6. Is historical data available?

Yes, the RALI provides weekly data starting with the week ending January 9, 2004 using our proprietary dataset of single-family refinance loan applications completed in DU.

Q7. Do you adjust historical values?

For consistency and ease of comparison we do not adjust historical values on a weekly basis. The index is designed to recreate our real-time reporting process consistently across incoming and historical data. As small adjustments may be necessary to correct the data over time, we plan to refresh the historical weekly time series on an annual basis and notify users through our website to ensure transparency and clarity.

Q8. Do you adjust for holidays or seasonal effects?

We do not adjust for holidays or seasonality since the RALI index is intended to provide weekly monitoring and forecasting of refinance origination volumes and mortgage prepayments, which themselves are typically not seasonally adjusted. Holidays do have an impact on refinance activity for the affected week, and we expect our weekly materials will note if the RALI index is significantly impacted by a holiday.

Q9. Are regional or state-level data available?

No, the data are only available at a national level.

Q10. Will the index be enhanced or changed in the future?

We expect to evaluate and consider opportunities to improve the index in the future. We welcome user feedback on the index.



Q11. Where do I direct additional questions about RALI?

Contact our Investor Marketing & Relations team at 1-800-2FANNIE or via [email](#).