



# Linda's Mortgage Update

*The fastest, simplest, most convenient way home!*

**Week of  
May 3,  
2009**

Last week saw mortgage rates drifting downward as GDP came in worse than expected, but other economic data looked positive. While GDP did come in under expectations, reinforcing the fact that we are in a recession, there were still a number of bright points last week. Consumer Confidence popped upward, and the ISM Manufacturing Index continues to move upward. The Fed left rates unchanged, and indicated that rates would stay low for the near future. As expected, the Fed pointed out that the economic situation is not looking as bad as it did only a few months ago.

**Mortgage  
Market  
Commentary**

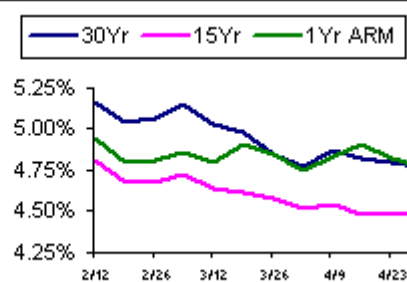
This week has a few events that could move rates, along with the almighty monthly employment data. Fed Chair Bernanke speaks to Congress this week. Any surprises in his testimony could move rates either way. Likewise, the results of the "stress test" for the nation's biggest banks will be made public. If there is some unknown weakness in all of the banks, we may see rates move down slightly. On Friday, employment data is due. If unemployment shrinks, we could see rates ticking upward.

## Mortgage Rates

### Freddie Mac's Primary Mortgage Market Survey

	April 30		4/23/09
30 Year Fixed	4.78%	▼	4.80%
15 Year Fixed	4.48%	↔	4.48%
One Year ARM	4.77%	▼	4.82%

For more information visit [www.FreddieMac.com](http://www.FreddieMac.com)



### Rates & Indexes

1 Yr T-Bill	0.520%
12 Mn Libor	1.864%
6 Mo Libor	1.549%
11 <sup>th</sup> D. COFI	1.627%
Prime	3.250%
Fed Fund	0.250%

## Economic Snapshot

### Gross Domestic Product

29-Apr ▲ %pt Chg  
-6.1% 0.2  
*Economy Shrinking*

### Consumer Confidence

28-Apr ▲ pt Chg  
39.2 12.3  
*Confidence Improving*

### Housing Starts

16-Apr ▼ % Chg  
510K 10.8%  
*Slowing Growth*

### Dow Jones

8,212.41

### NASDAQ

1,719.20

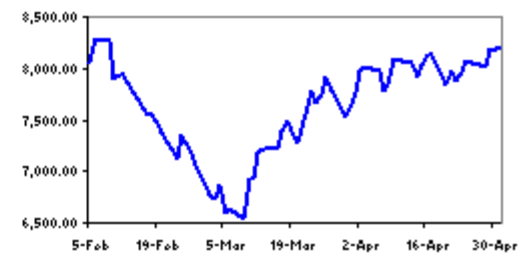
### NYSE

5,568.76

### S&P 500

877.52

Dow Jones



### Unemployment Rate

3-Apr ▲ %pt Chg  
8.5% 0.4  
*Unemployment Growing*

### US Retail Sales

14-Apr ▼ % Chg  
344.4b 1.1%  
*Slowing Growth*

### Existing Home Sales

23-Apr ▼ % Chg  
4.57m 3.0%  
*Slowing Growth*

### Leading Indicators (LEI)

20-Apr ▼ % Chg  
98.1 0.3  
*Slowing Growth*

### Manufacturing Activity

1-May ▲ pt Chg  
40.1 3.8  
*Manufacturing Contracting*

### New Home Sales

24-Apr ▼ % Chg  
356K 60.0%  
*Slowing Growth*

## Worth Remembering



One of the nice things about problems is that a good many of them do not exist except in our imaginations.

Steve Allen

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