



# Linda's Mortgage Update

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

**Week of  
August 2,  
2009**

**Mortgage  
Market  
Commentary**

This week held some good news for the economy. GDP for the second quarter of this year came in at a higher-than-expected -1.0%. While there are a number of revisions to come before that number is finalized, it is a solid sign that the recession is beginning to fade. However, all the news last week was not positive. Consumer Confidence continues to slide downward, most likely due to continued challenges in the labor market. While mortgage rates bounced around, they did not stray too far.

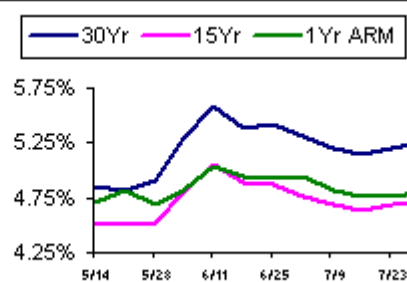
This week has two very important pieces of economic data that could help set a trend for mortgage rates over the next few weeks. The ISM Manufacturing Survey is due with expectations of another small tic upwards. If it comes in at or above expectations, we're likely to see mortgage rates trying to move upward as the week progresses. The week's most influential report likely will be Friday's employment data. After last week's stronger-than-expected GDP numbers, an unexpected dip in unemployment would very likely power mortgage rates upward on Friday and well into next week.

## Mortgage Rates

### Freddie Mac's Primary Mortgage Market Survey

	July 30		7/23/09
30 Year Fixed	5.25%	▲	5.20%
15 Year Fixed	4.69%	▲	4.68%
One Year ARM	4.80%	▲	4.77%

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



### Rates & Indexes

1 Yr T-Bill	0.470%
12 Mn Libor	1.498%
6 Mo Libor	0.925%
11 <sup>th</sup> D. COFI	1.832%
Prime	3.250%
Fed Fund	0.250%

## Economic Snapshot

### Gross Domestic Product

31-Jul ▲ %pt Chg  
-1.0% 4.5  
*Economy Shrinking*

### Consumer Confidence

28-Jul ▼ pt Chg  
46.6 2.7  
*Confidence Slipping*

### Housing Starts

17-Jul ▲ % Chg  
582K 3.6%  
*Slowing Growth*

### Dow Jones

9,171.61

### NASDAQ

1,978.50

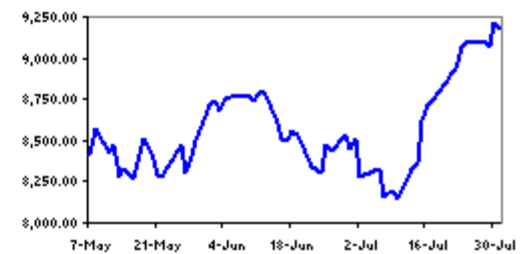
### NYSE

6,424.28

### S&P 500

987.48

Dow Jones



### Unemployment Rate

2-Jul ▲ %pt Chg  
9.5% 0.1  
*Unemployment Growing*

### US Retail Sales

14-Jul ▲ % Chg  
342.1b 0.6%  
*Slowing Growth*

### Existing Home Sales

23-Jul ▲ % Chg  
4.89m 3.6%  
*Slowing Growth*

### Leading Indicators (LEI)

20-Jul ▲ % Chg  
100.9 0.7  
*Slowing Growth*

### Manufacturing Activity

1-Jul ▲ pt Chg  
44.8 2.0  
*Manufacturing Contracting*

### New Home Sales

27-Jul ▲ % Chg  
384K 11.0%  
*Slowing Growth*

## Worth Remembering



Man has made many machines, complex and cunning, but which of them indeed rivals the workings of his heart?

Pablo Casals

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