



Linda's Mortgage Update

The fastest, simplest, most convenient way home!

**Week of
August 9,
2009**

Additional evidence appeared last week that we may be very close to the bottom of this recession. While it is the nineteenth straight month of job losses, July saw only 247,000 jobs lost with a tiny improvement in the unemployment rate. The ISM Manufacturing Index also revealed greater signs of life than expected. Mortgage rates did end the week with some upward pressure that may continue into this week, especially if the positive economic news continues.

**Mortgage
Market
Commentary**

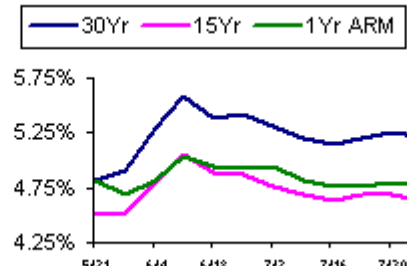
While this week is packed with important economic data, the most influential news of the week could be the policy announcement that accompanies the Fed's rate decision. The Fed is expected to leave rates unchanged, but analysts are seeking hints on how the Fed will unwind itself from financial markets. This year, the Fed has purchased nearly every mortgage-backed security on the market. If the Fed hints it will begin slowing those purchases, we could see rates rise. However, if the Fed offers no hints, we may see some flattening pressure on rates, even with good economic news.

Mortgage Rates

Freddie Mac's Primary Mortgage Market Survey

	August 6		7/30/09
30 Year Fixed	5.22%	▼	5.25%
15 Year Fixed	4.63%	▼	4.69%
One Year ARM	4.78%	▼	4.80%

For more information visit www.FreddieMac.com



Rates & Indexes

1 Yr T-Bill	0.490%
12 Mn Libor	1.510%
6 Mo Libor	0.908%
11 th D. COFI	1.599%
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

9,370.07

NASDAQ

2,000.25

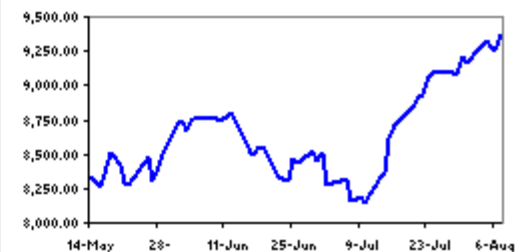
NYSE

6,586.71

S&P 500

1,010.48

Dow Jones



Unemployment Rate

7-Aug ▼ %pt Chg
9.4% 0.1
Unemployment Stabilizing

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

3-Aug ▲ pt Chg
48.9 4.1
Manufacturing Contracting

New Home Sales

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

Worth Remembering



Minds, like bodies, will often fall into a pimply, ill-conditioned state from mere excess of comfort.

Charles Dickens

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