



# Linda's Mortgage Update

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

**Week of  
Oct. 25,  
2009**

**Mortgage  
Market  
Commentary**

Mortgage rates nudged slightly higher last week as more data and news pointed toward economic recovery. The housing market continued to show signs of uneven improvement - but improvement nonetheless. Housing Starts and Existing Home Sales moved higher, but the latter's increase may be attributable to the soon-to-expire, first-time homebuyer tax credit and high levels of short sales. The Leading Economic Indicators also posted an improvement for the sixth month in a row.

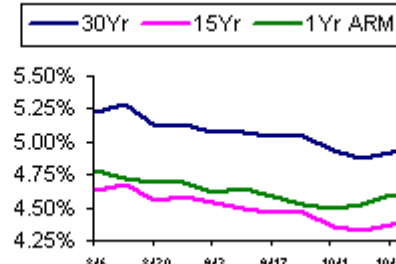
This week should contain the first "official" end-of-recession data point, with the first, or advance, reading of the third quarter's GDP. Experts expect the reading to be near 3.0%. While this number does represent a growing economy, there is no question that this simply signals the technical end of the recession. True economic recovery is still to come. Fortunately, inflationary pressures also continue to be a future issue, leaving the Fed with options for managing interest rates. More positive economic news may pressure rates upward again this week, but the movement may not be too severe.

## Mortgage Rates

### Freddie Mac's Primary Mortgage Market Survey

	October 22		10/15/09
30 Year Fixed	5.00%	▲	4.92%
15 Year Fixed	4.43%	▲	4.37%
One Year ARM	4.54%	▼	4.60%

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



### Rates & Indexes

1 Yr T-Bill	0.360%
12 Mn Libor	1.235%
6 Mo Libor	0.581%
11 <sup>th</sup> D. COFI	1.473%
Prime	3.250%
Fed Fund	0.250%

## Economic Snapshot

### Gross Domestic Product

30-Sep ▲ %pt Chg  
-0.7% 4.8  
*Economy Shrinking*

### Consumer Confidence

29-Sep ▼ pt Chg  
54.1 1.4  
*Confidence Tentative*

### Housing Starts

20-Oct ▲ % Chg  
590K 0.5%  
*Slowing Stabilizing*

### Dow Jones

9,972.18

### NASDAQ

2,154.47

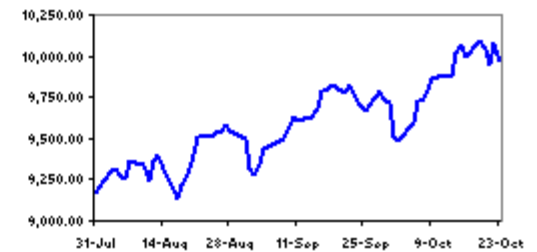
### NYSE

7,066.80

### S&P 500

1,079.60

Dow Jones



### Unemployment Rate

2-Oct ▲ %pt Chg  
9.8% 0.1  
*Unemployment Stabilizing*

### US Retail Sales

15-Sep ▼ % Chg  
344.7b 1.5%  
*Sales Stabilizing*

### Existing Home Sales

23-Oct ▲ % Chg  
5.57m 9.4%  
*Sales Stabilizing*

### Leading Indicators (LEI)

22-Oct ▲ % Chg  
103.5 1.0  
*Economy Stabilizing*

### Manufacturing Activity

1-Oct ▼ pt Chg  
52.6 0.3  
*Manufacturing Expanding*

### New Home Sales

25-Sep ▲ % Chg  
429K 6.5%  
*Sales Stabilizing*

## Worth Remembering



It doesn't matter which side of the fence you get off on sometimes. What matters most is getting off.

Jim Rohn

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