



# Linda's Mortgage Update

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

**Week of  
Nov. 22,  
2009**

**Mortgage  
Market  
Commentary**

Mortgage rates slid further downward last week as October's economic data continued to point to a tepid recovery at best. While most economists have been expecting the recovery to have some ups and downs, over the last few weeks, many market players seemed to expect the recovery to come together faster. However, last week's data reaffirmed that we still have quite a long way to go. Industrial Production nudged only 0.1% higher, while Housing Starts plummeted 10.6%. The good news is that both the CPI and PPI continue to show that inflation is staying in control.

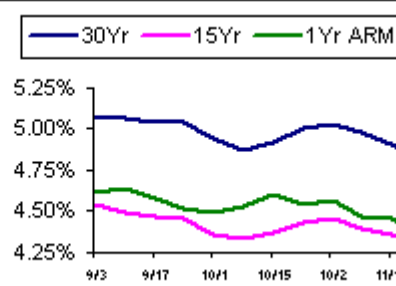
While this holiday-shortened week is unlikely to see any huge moves in mortgage rates, we could see rates slip just a bit more if GDP is revised to 2.7% or lower. While there is little risk of seeing the GDP revised to a negative number, the closer we get to 2.0%, the further out expectations will be set for a recovery in both job and housing markets. With inflation continuing to be a future issue, and these latest reminders of this weak economic recovery, we may see rates staying low the rest of 2009.

## Mortgage Rates

**Freddie Mac's  
Primary Mortgage Market Survey**

	November 19		11/12/09
30 Year Fixed	4.83%	▼	4.91%
15 Year Fixed	4.32%	▼	4.36%
One Year ARM	4.35%	▼	4.46%

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



**Rates & Indexes**

1 Yr T-Bill	0.330%
12 Mn Libor	1.021%
6 Mo Libor	0.489%
11 <sup>th</sup> D. COFI	1.272%
Prime	3.250%
Fed Fund	0.250%

## Economic Snapshot

**Gross Domestic Product**

29-Oct ▲ %pt Chg  
3.5 4.2  
*Economy Growing*

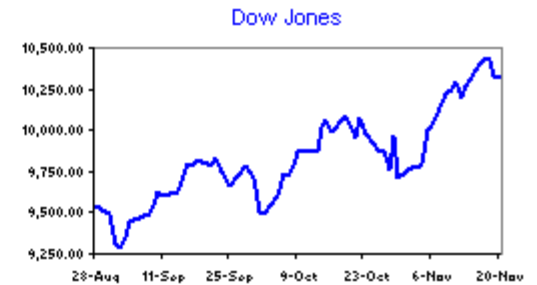
**Consumer Confidence**

27-Oct ▼ pt Chg  
47.7 5.7  
*Confidence Tentative*

**Housing Starts**

18-Nov ▼ % Chg  
529K 10.6%  
*Slowing Stabilizing*

**Dow Jones** 10,318.16 **NASDAQ** 2,167.88  
**NYSE** 7,119.89 **S&P 500** 1,093.48



**Unemployment Rate**

6-Nov ▲ %pt Chg  
10.2% 0.4  
*Unemployment Stabilizing*

**US Retail Sales**

16-Nov ▲ % Chg  
347.5b 1.4%  
*Sales Stabilizing*

**Existing Home Sales**

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

**Leading Indicators (LEI)**

19-Nov ▲ % Chg  
103.8 0.3  
*Economy Stabilizing*

**Manufacturing Activity**

4-Nov ▲ pt Chg  
55.7 3.1  
*Manufacturing Expanding*

**New Home Sales**

28-Oct ▼ % Chg  
402K 6.5%  
*Sales Stabilizing*

**Worth Remembering**



The easiest way to avoid wrong notes is to never open your mouth and sing. What a mistake that would be.

Pete Seeger

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