



# Linda's Mortgage Update

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

**Week of  
Dec. 20,  
2009**

**Mortgage  
Market  
Commentary**

As expected, the Federal Reserve left its interest rates unchanged at the end of last week's meeting. However, there were some significant changes in the accompanying policy announcement. The Fed is noting that economic activity is picking up, and the labor market is beginning to show signs of recovery. While this may have helped drive rates higher for the week, the Fed's identifying timelines for the sunseting of a number of financial market support programs may have set the stage for the final weeks of sub-5% 30-year fixed-rate mortgages. With financial markets slowly regaining their footing, the Fed will begin unwinding itself from the markets. Over the next few months, we should begin to see interest rates affected more and more by the marketplace rather than the government.

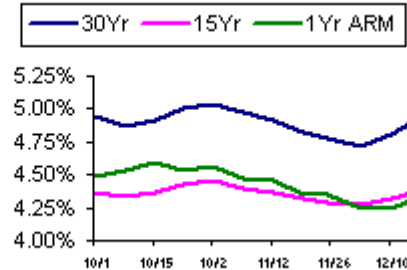
This holiday-shortened week does have some important economic data. However, if GDP remains fairly close to estimates, we could see rates staying fairly level for this week, perhaps even sliding back slightly. We'll also get some insight into how the housing market is fairing.

## Mortgage Rates

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

	December 17		12/10/09
30 Year Fixed	4.94%	▲	4.81%
15 Year Fixed	4.38%	▲	4.32%
One Year ARM	4.34%	▲	4.24%

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



**Rates & Indexes**

1 Yr T-Bill	0.320%
12 Mn Libor	0.968%
6 Mo Libor	0.435%
11 <sup>th</sup> D. COFI	1.259%
Prime	3.250%
Fed Fund	0.250%

## Economic Snapshot

**Gross Domestic Product**

24-Nov ▲ %pt Chg  
2.8% 3.5  
*Economy Growing*

**Consumer Confidence**

24-Nov ▲ pt Chg  
49.5 0.8  
*Confidence Tentative*

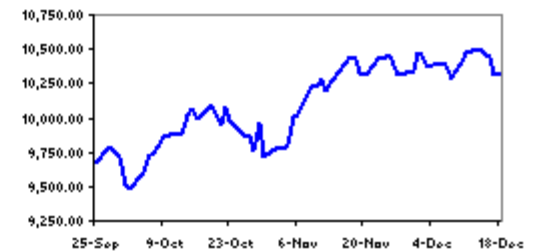
**Housing Starts**

16-Dec ▲ % Chg  
574K 8.9%  
*Slowing Stabilizing*

**Dow Jones** 10,328.89 **NASDAQ** 2,211.69

**NYSE** 7,086.19 **S&P 500** 1,102.47

Dow Jones



**Unemployment Rate**

4-Dec ▼ %pt Chg  
10.0% 0.2  
*Unemployment Stabilizing*

**US Retail Sales**

12-Dec ▲ % Chg  
352.1b 1.3%  
*Sales Stabilizing*

**Existing Home Sales**

23-Nov ▲ % Chg  
6.10m 10.1%  
*Sales Stabilizing*

**Leading Indicators (LEI)**

17-Dec ▲ % Chg  
104.9 0.9  
*Economy Stabilizing*

**Manufacturing Activity**

1-Dec ▼ pt Chg  
53.6 2.1  
*Manufacturing Expanding*

**New Home Sales**

25-Nov ▲ % Chg  
430K 6.2%  
*Sales Stabilizing*

**Worth Remembering**



If you have not often felt the joy of doing a kind act, you have neglected much, and most of all yourself.

A. Neilen

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