



# Linda's Mortgage Update

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

**Week of  
Jan. 24,  
2010**

**Mortgage  
Market  
Commentary**

Last week saw mortgage rates sliding downward, as a few big concerns began weighing heavily on the market. Economic news continues to highlight a very muted recovery, but fears of a double-dip recession were fanned by events in Washington. While bank-bashing has become a popular pastime, the Obama administration took it one step further with the proposal of a tax structure that would hit all large banks. Regardless of one's opinion of banks or the tax, it is very likely that business and consumers will ultimately bear this new tax. To compound the market's concerns, uncertainty surrounding the reappointment of Fed Chair Bernanke stoked anxiety. A failed confirmation could easily lead to months of political bickering, dragging the search for a successor on for many months.

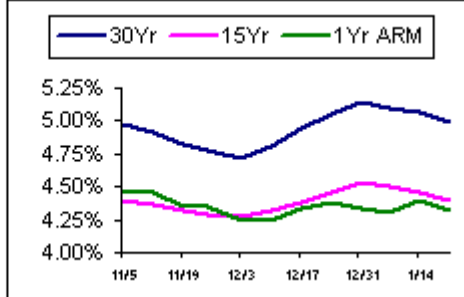
This week is a huge week for markets. In addition to the political concerns, the Fed meets again with analysts ready to dissect its policy announcement looking for clues of future Fed moves. With GDP data, Consumer Confidence, and slew of housing data on tap, rates could move either way.

## Mortgage Rates

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

	<u>January 21</u>		<u>1/14/10</u>
30 Year Fixed	4.99%	▼	5.06%
15 Year Fixed	4.40%	▼	4.45%
One Year ARM	4.32%	▼	4.39%

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



**Rates & Indexes**

1 Yr T-Bill	0.350%
12 Mn Libor	0.858%
6 Mo Libor	0.385%
11 <sup>th</sup> D. COFI	2.094%
Prime	3.250%
Fed Fund	0.250%

## Economic Snapshot

**Gross Domestic Product**

22-Dec ▲ %pt Chg  
2.2% 2.9  
*Economy Growing*

**Consumer Confidence**

29-Dec ▲ pt Chg  
52.9 2.3  
*Confidence Tentative*

**Housing Starts**

29-Apr ▼ % Chg  
577K 4.0%  
*Slowing Stabilizing*

**Dow Jones** 10,172.98 **NASDAQ** 2,205.29  
**NYSE** 7,030.61 **S&P 500** 1,091.76

**Unemployment Rate**

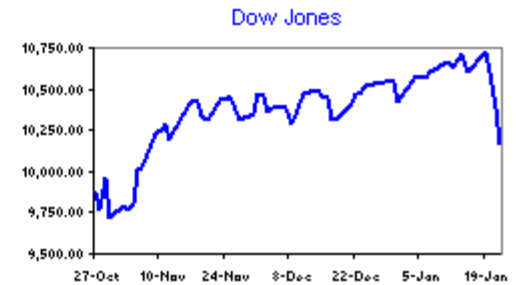
8-Jan ↔ %pt Chg  
10.0% 0.2  
*Unemployment Stabilizing*

**US Retail Sales**

14-Jan ▼ % Chg  
353.0b 0.3%  
*Sales Stabilizing*

**Existing Home Sales**

24-Dec ▲ % Chg  
6.54m 7.4%  
*Sales Stabilizing*



**Leading Indicators (LEI)**

21-Jan ▲ % Chg  
106.4 1.1  
*Economy Stabilizing*

**Manufacturing Activity**

1-Jan ▲ pt Chg  
55.9 2.3  
*Manufacturing Expanding*

**New Home Sales**

2-Dec ▼ % Chg  
355K 11.3%  
*Sales Stabilizing*

*Worth Remembering*



Do not confuse motion and progress. A rocking horse keeps moving but does not make any progress.

Alfred A. Montapert

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