



# Linda's Mortgage Update

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

**Week of  
Aug. 8,  
2010**

**Mortgage  
Market  
Commentary**

As we roll into the last month of the summer, it seems little has changed. The economy is likely recovering, but at a very slow pace, perhaps even slower than most anticipated. The job market is sluggish at best, and mortgage rates are breaking record lows every week, including last week. While many pundits are claiming a double-dip recession is on the horizon, it is way too soon to make that assessment. Economic growth has slowed, but does continue. One of the biggest challenges the economy faces is moving from a manufacturing-led recovery to a consumer-driven recovery. Jobs, of course, are the biggest factor in creating that scenario. With the unemployment rate high, and so few jobs to be had, the road ahead is difficult. However, we are seeing some sub-indicators in reports like the ISM services index that lead many analysts to believe we eventually will see more growth.

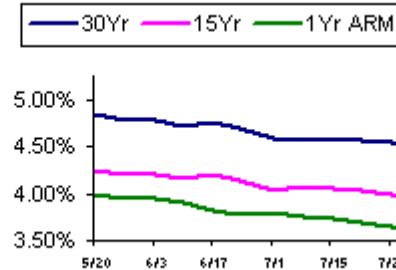
The two biggest events of this week are the Fed's meeting and Retail Sales data. If the Fed reveals faith in the economy, and sales move upward, we might not set a new record low for rates this week!

## Mortgage Rates

### Freddie Mac's Primary Mortgage Market Survey

	August 5		7/29/10
30 Year Fixed	4.49%	▼	4.54%
15 Year Fixed	3.95%	▼	4.00%
One Year ARM	3.55%	▼	3.64%

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



### Rates & Indexes

1 Yr T-Bill	0.300%
12 Mn Libor	1.003%
6 Mo Libor	0.634%
11 <sup>th</sup> D. COFI	1.797%
Prime	3.250%
Fed Fund	0.250%

## Economic Snapshot

### Gross Domestic Product

30-Jul	▼	%pt Chg
2.4		1.3%
<i>Economy Growing</i>		

### Consumer Confidence

27-Jul	▼	pt Chg
50.4		3.9
<i>Confidence Slipping</i>		

### Housing Starts

20-Jul	▼	% Chg
549K		5.0%
<i>Sales Slowing</i>		

<b>Dow Jones</b>	10,653.56	<b>NASDAQ</b>	2,288.47
<b>NYSE</b>	7,153.72	<b>S&amp;P 500</b>	1,121.64

### Unemployment Rate

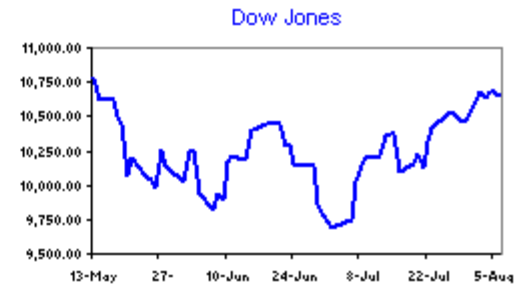
6-Aug	↔	%pt Chg
9.5%		0.2
<i>Unemployment Stabilizing</i>		

### US Retail Sales

14-Jul	▼	% Chg
360.0b		0.5%
<i>Sales Slowing</i>		

### Existing Home Sales

22-Jul	▼	% Chg
5.37m		5.1%
<i>Sales Slowing</i>		



### Leading Indicators (LEI)

22-Jul	▼	% Chg
109.8		0.2
<i>Economic Growth Slowing</i>		

### Manufacturing Activity

1-Aug	▼	pt Chg
55.5		0.7
<i>Manufacturing Expanding</i>		

### New Home Sales

26-Jul	▲	% Chg
330K		23.6%
<i>Sales Slowing</i>		

### Worth Remembering



Apply yourself. Get all the education you can, but then do something. Don't just stand there, make it happen.

Lee Iacocca

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