



# Linda's Mortgage Update

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

**Week of  
Feb. 03  
2008**

**Mortgage  
Market  
Commentary**

Last week was another frenzied week for financial markets. While the debate still rages over whether we are in, or are entering into, a recession, there was plenty of ammunition for all sides in the debate. Our first look at GDP for the 4th quarter of 2007 came in at a weaker-than-expected 0.6%. Consumer Confidence dropped again, and January appears to have started with a net loss of jobs in the US. On a more positive note, Orders for Durable Goods popped upward, and the ISM Manufacturing Index moved over 50, which indicates that manufacturing is expanding. The unemployment rate ticked down to 4.9%, and we all know that January's lost jobs could be revised into gains in next month's report. The Fed also knocked another ½ point from both its interest rates, and continues to pursue other means of shoring up the credit markets and stimulating economic growth.

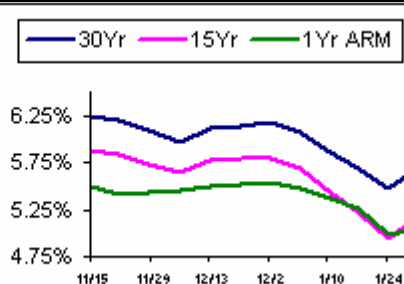
With little data due this week, we could see rates settling down and not moving as much. However, given current conditions, signs of a strengthening economy may push mortgage rates up quickly.

## Mortgage Rates

### Freddie Mac's Primary Mortgage Market Survey

	January 31		1/24/08
30 Year Fixed	5.68%	▲	5.48%
15 Year Fixed	5.17%	▲	4.95%
One Year ARM	5.05%	▲	4.99%

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



### Rates & Indexes

1 Yr T-Bill	2.310%
12 Mn Libor	2.819%
6 Mo Libor	3.016%
11 <sup>th</sup> D. COFI	4.072%
Prime	6.000%
Fed Fund	3.000%

## Economic Snapshot

### Gross Domestic Product

30-Jan ▼ %pt Chg  
+0.6% 4.3  
*Healthy Growth*

### Consumer Confidence

29-Jan ▼ pt Chg  
87.9 2.7  
*Confidence Decreasing*

### Housing Starts

17-Jan ▼ % Chg  
1.01m 14.2%  
*Slowing Growth*

Dow Jones 12,743.19 NASDAQ 2,413.36  
NYSE 9,277.58 S&P 500 1,395.42



### Unemployment Rate

1-Feb ▼ %pt Chg  
4.9% 0.1  
*Unemployment Rising*

### US Retail Sales

15-Jan ▼ % Chg  
382.9b 0.4%  
*Slowing Growth*

### Existing Home Sales

24-Jan ▼ % Chg  
4.89m 2.2%  
*Slowing Growth*

### Leading Indicators (LEI)

18-Jan ▼ % Chg  
136.5 0.2  
*Slowing Growth*

### Manufacturing Activity

1-Feb ▲ pt Chg  
50.7 2.3  
*Manufacturing Expanding*

### New Home Sales

28-Jan ▼ % Chg  
604K 4.7%  
*Slowing Growth*

### Worth Remembering



Adversity has the effect of eliciting talents which, in prosperous circumstances, would have lain dormant.

Horace, 65 - 8 BC

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