



# Linda's Mortgage Update

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

**Week of  
Nov. 11  
2007**

Federal Reserve Chair Ben Bernanke's comments before a Congressional Joint Economic Committee late last week renewed concerns that the challenges in the credit market could spill over to the broader economy. He also pointed out that while inflation remains stable, there are some "important upside risks." His comments sent stock indices lower, and pushed money into the relative safety of the bond market. Unfortunately, the concerns regarding inflation helped keep mortgage rates from moving very far downward, as they often do when money flows into bonds.

**Mortgage  
Market  
Commentary**

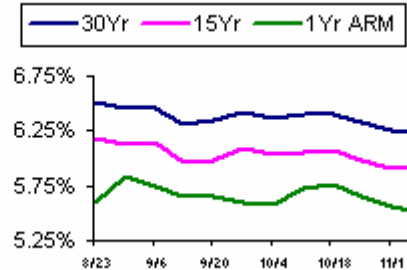
While it will take months to see whether the Fed's concerns become reality, next week does hold some very important economic insight. If retail sales come in higher than expected, we could see mortgage rates move upward. The twin inflation reports of the Consumer and Producer Price Indices are also due. If either, especially the CPI, shows a sizeable drop in inflationary pressures, the Fed's concerns may be pushed aside, and we may see an accompanying drop in mortgage rates.

## Mortgage Rates

### Freddie Mac's Primary Mortgage Market Survey

	November 8		11/1/07
30 Year Fixed	6.24%	▼	6.26%
15 Year Fixed	5.90%	▼	5.91%
One Year ARM	5.50%	▼	5.57%

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



### Rates & Indexes

1 Yr T-Bill	3.930%
12 Mn Libor	4.511%
6 Mo Libor	4.763%
11 <sup>th</sup> D. COFI	4.383%
Prime	7.500%
Fed Fund	4.500%

## Economic Snapshot

### Gross Domestic Product

31-Oct ▲ %pt Chg  
+3.9% 0.1  
*Healthy Growth*

### Consumer Confidence

30-Oct ▼ pt Chg  
95.6 3.9  
*Confidence Dropping*

### Housing Starts

17-Oct ▼ % Chg  
1.19m 10.2%  
*Slowing Growth*

Dow Jones 13,042.74 NASDAQ 2,627.94  
NYSE 9,733.34 S&P 500 1,453.70



### Unemployment Rate

2-Nov ↔ %pt Chg  
4.7% 0.0  
*Healthy Labor Market*

### US Retail Sales

12-Oct ▲ % Chg  
380.2b 0.6%  
*Continuing Growth*

### Existing Home Sales

24-Oct ▼ % Chg  
5.05m 8.0%  
*Slowing Growth*

### Leading Indicators (LEI)

18-Oct ▲ % Chg  
137.9 0.3  
*Slowing Growth*

### Manufacturing Activity

1-Nov ▼ pt Chg  
50.9 1.1  
*Manufacturing Slowing*

### New Home Sales

25-Oct ▲ % Chg  
770K 4.8%  
*Slowing Growth*

### Worth Remembering



Progress always involves risk; you can't steal second base and keep your feet on first.

Frederick Wilcox

# Linda Hancock

**850-747-1620 Cell**

**850-747-1650 Fax**

[Linda.Hancock@mortgagefamily.com](mailto:Linda.Hancock@mortgagefamily.com)