



# Linda's Mortgage Update

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

**Week of  
Dec. 23  
2007**

**Mortgage  
Market  
Commentary**

Mortgage rates see-sawed last week, landing about where they started the week. Final third quarter GDP numbers came in at a very solid 4.9%. Inflation indicators in the GDP report revealed that price pressures did move upward, which tends to make future rate cuts from the Fed less likely. However, we do have a clear pattern that economic growth has slowed in the fourth quarter. The question is "how much?" The number of analysts warning of a recession seems to have decreased as the Fed has worked independently and with other central banks to aggressively restore confidence in financial markets. If the moves are successful, we could see economic growth accelerating in the new year.

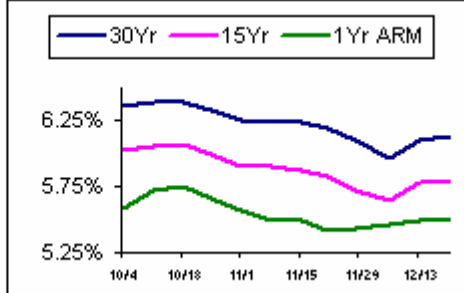
This week should be a quiet week for mortgage rates, with the Christmas holiday falling on Tuesday and limited economic data due this week. We could see mortgage rates moving up slightly as the week ends, if the holiday season lifts consumer attitudes and Consumer Confidence grows rather than pulls back. However, if Confidence continues to drop, we could see rates pushing downward.

## Mortgage Rates

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

	December 20	12/13/07
30 Year Fixed	6.14% ▲	6.11%
15 Year Fixed	5.79% ▲	5.78%
One Year ARM	5.51% ▲	5.50%

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



**Rates & Indexes**

1 Yr T-Bill	3.200%
12 Mn Libor	4.318%
6 Mo Libor	4.728%
11 <sup>th</sup> D. COFI	4.233%
Prime	7.250%
Fed Fund	4.250%

## Economic Snapshot

**Gross Domestic Product**

20-Dec ▲ %pt Chg  
+4.9% 1.1  
*Healthy Growth*

**Consumer Confidence**

27-Nov ▼ pt Chg  
87.3 7.9  
*Confidence Dropping*

**Housing Starts**

18-Dec ▼ % Chg  
1.19m 3.7%  
*Slowing Growth*

**Dow Jones** 13,450.65 **NASDAQ** 2,691.99  
**NYSE** 9,787.93 **S&P 500** 1,484.46



**Unemployment Rate**

7-Dec ↔ %pt Chg  
4.7% 0.0  
*Healthy Labor Market*

**US Retail Sales**

13-Dec ▲ % Chg  
385.8b 1.2%  
*Continuing Growth*

**Existing Home Sales**

28-Nov ▼ % Chg  
4.97m 1.2%  
*Slowing Growth*

**Leading Indicators (LEI)**

20-Dec ▼ % Chg  
136.3 0.4  
*Slowing Growth*

**Manufacturing Activity**

1-Dec ▼ pt Chg  
50.8 0.1  
*Manufacturing Slowing*

**New Home Sales**

29-Nov ▲ % Chg  
728K 1.7%  
*Slowing Growth*

*Worth Remembering*



When we accept tough jobs as a challenge and wade into them with joy and enthusiasm, miracles can happen.

Arland Gilbert

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