



# Weekly Mortgage Watch

*Market News That You Will Use Today!*

**Week of  
March 8,  
2009**

**Mortgage  
Market  
Commentary**

Mortgage rates continue to stay in a fairly tight range, creeping up slightly last week despite plummeting stock markets, and the continuing onslaught of programs targeting the housing industry. While news continues to reveal a deepening recession, a few glimmers of hope arose last week. The ISM Manufacturing Index inched upward, against most analysts' expectations. Personal Incomes also inched upward for the first time since September. Unfortunately, the employment picture further darkened with unemployment rising to 8.1%, and another 651K jobs were lost in February.

This week contains plenty of economic news for the market to digest. Given the mortgage market's subdued response to poor economic data, the level of impact of all the data due this week is likely to be relatively muted. In many ways, it seems that the constant stream of new government programs and legislation targeting the housing and mortgage industries, along with rumors of what the next program will be, has the mortgage market experiencing a mild paralysis.

## This Week's Top Economic Reports and Events

<u>Report/Event</u>	<u>Date</u>	<u>Prior</u>	<u>Est.</u>	<u>Impact</u>
<b>Weekly Jobless Claims</b> With unemployment climbing, another surprise jump in claims might not shock the market, but rates will feel some moderate downward pressure.	3/12	639K	640K	<b>Moderate</b>
<b>Retail Sales</b> After last month's surprise increase, sales are expected to dip. Another surprise increase would create some upward pressure on mortgage rates.	3/12	1.0%	-0.4%	<b>Significant</b>
<b>Import Price Index</b> With other indicators showing stabilized levels of inflation, a dip in this less important index would create a little downward pressure on rates.	3/13	-1.1%	-0.5%	<b>Limited</b>
<b>International Trade Balance</b> Another slight decrease in the trade gap could put some very minor upward pressure on mortgage rates.	3/13	-39.9B	-38.2B	<b>Limited</b>
<b>U of Mich. Consumer Sentiment</b> Consumers are definitely feeling downtrodden as this recession continues to drag along. An unchanged Sentiment reading will help keep rates flat.	3/13	56.3	56.3	<b>Moderate</b>

## Freddie Mac's Primary Mortgage Market Survey

	<u>March 5</u>		<u>2/26/09</u>
30 Year Fixed	5.15%	▲	5.07%
15 Year Fixed	4.72%	▲	4.68%
One Year ARM	4.86%	▲	4.81%

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

## Scam Artists Out In Force To "Help" Homeowners

All of the government's new programs to help struggling homeowners has rapidly created a cottage industry of scam artists looking to "help" distressed homeowners navigate the complexities of getting mortgage assistance. In some cases, they are just con artists taking fees for directing people to the right program. In the worst cases, homeowners are signing over deeds to their homes. If you or anyone you know has questions about mortgages, please give me a ring first.

## Mortgage Rate Trends

Short-Term →→  
Long-Term →→  
Volatility **High**

## Interest Rates and Indexes

1 Yr T-Bill	0.720%	11th D. COFI	2.455%
10 Yr T-Note	2.910%	COSI	3.760%
6 Month Libor	1.854%	CODI	2.572%
Prime Rate	3.250%	MTA	1.514%

## Worth Remembering

What you leave behind is not what is engraved in stone monuments, but what is woven into the lives of others.

Pericles



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