

**Week of  
July 18,  
2010**

**Mortgage  
Market  
Commentary**

Mortgage rates continued to remain at historically-low levels last week as we slog through the traditional summer doldrums for financial markets. Last week, the Fed released the minutes from its last meeting. As expected, there were discussions of lower expectations for economic growth over the coming months. The Fed also revealed that it had some trouble in finding desirable MBS products to purchase as it finished up its \$1.25 trillion plan. However, the Fed also is beginning to examine the best plans for unloading the massive portfolio it has accumulated over the last few years.

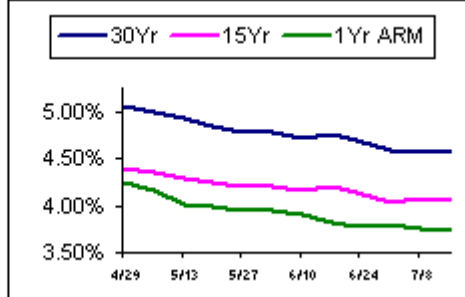
This week holds limited economic data for the market to digest. However, Fed Chair, Ben Bernanke, will be testifying before Congress this week. If he can present a sense of confidence for the economy moving forward, especially as we enter a period of slower growth, we could see some upward movement on mortgage rates. In any case, with such limited inflationary pressures in the marketplace right now, we should see low rates for the remainder of the summer, at least.

### Mortgage Rates

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

|               | July 15 |   | 7/8/10 |
|---------------|---------|---|--------|
| 30 Year Fixed | 4.57%   | ↔ | 4.57%  |
| 15 Year Fixed | 4.06%   | ▼ | 4.07%  |
| One Year ARM  | 3.74%   | ▼ | 3.75%  |

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



**Rates & Indexes**

|                          |        |
|--------------------------|--------|
| 1 Yr T-Bill              | 0.310% |
| 12 Mn Libor              | 1.380% |
| 6 Mo Libor               | 1.114% |
| 11 <sup>th</sup> D. COFI | 1.791% |
| Prime                    | 3.250% |
| Fed Fund                 | 0.250% |

### Economic Snapshot

**Gross Domestic Product**

|                        |   |         |
|------------------------|---|---------|
| 25-Jun                 | ▼ | %pt Chg |
| 2.7                    |   | 3.0     |
| <i>Economy Growing</i> |   |         |

**Consumer Confidence**

|                            |   |        |
|----------------------------|---|--------|
| 29-Jun                     | ▼ | pt Chg |
| 52.9                       |   | 9.8    |
| <i>Confidence Slipping</i> |   |        |

**Housing Starts**

|                            |   |       |
|----------------------------|---|-------|
| 16-Jun                     | ▼ | % Chg |
| 593K                       |   | 10.0% |
| <i>Slowing Stabilizing</i> |   |       |

|                  |           |                    |          |
|------------------|-----------|--------------------|----------|
| <b>Dow Jones</b> | 10,097.90 | <b>NASDAQ</b>      | 2,179.05 |
| <b>NYSE</b>      | 6,709.51  | <b>S&amp;P 500</b> | 1,064.88 |

**Unemployment Rate**

|                                 |   |         |
|---------------------------------|---|---------|
| 4-Jun                           | ▼ | %pt Chg |
| 9.5%                            |   | 0.2     |
| <i>Unemployment Stabilizing</i> |   |         |

**US Retail Sales**

|                      |   |       |
|----------------------|---|-------|
| 11-Jun               | ▼ | % Chg |
| 360.0b               |   | 0.5%  |
| <i>Sales Slowing</i> |   |       |

**Existing Home Sales**

|                          |   |       |
|--------------------------|---|-------|
| 22-Jun                   | ▼ | % Chg |
| 5.66m                    |   | 2.2%  |
| <i>Sales Stabilizing</i> |   |       |



**Leading Indicators (LEI)**

|                            |   |       |
|----------------------------|---|-------|
| 17-Jun                     | ▲ | % Chg |
| 109.9                      |   | 0.4   |
| <i>Economy Stabilizing</i> |   |       |

**Manufacturing Activity**

|                                |   |        |
|--------------------------------|---|--------|
| 1-Jul                          | ▼ | pt Chg |
| 56.2                           |   | 3.5    |
| <i>Manufacturing Expanding</i> |   |        |

**New Home Sales**

|                        |   |       |
|------------------------|---|-------|
| 23-Jun                 | ▼ | % Chg |
| 300K                   |   | 32.7% |
| <i>Sales Shrinking</i> |   |       |

### Weekly Trivia Challenge



The Beatles won an Academy Award only once. The Award was for what 1970's film?

If you know the answer to this week's Trivia Challenge, give me a call or drop me an email!

### Vision Mortgage Group

National Sales Office  
6724 Commonwealth Drive  
Loves Park, IL 61111

**888-308-4746**

*Leading America Home*