



# Rob Clark's Monday Mortgage Update



**Week of  
January 25,  
2009**

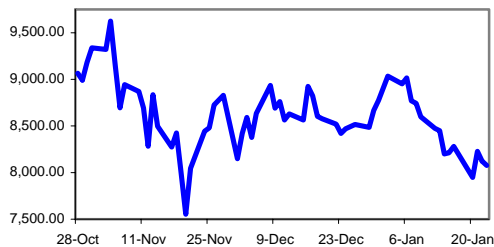
**Mortgage  
Market  
Commentary**

Despite the enthusiasm generated by the inauguration, financial markets were a bit downbeat last week, as more trouble came to light in the already battered financial and banking industry. However, mortgage rates moved upward as bonds showed some signs of strength during the week.

This week is a very busy week for financial markets with a slew of economic data due, along with the first 2009 Fed meeting. While the Fed is expected to maintain its interest rate targets at the current low range, there is anticipation of news from the Fed meeting. Analysts expect some announcement regarding the Fed's asset-backed support facility, which will further broaden the Fed's ability to lend money to beleaguered institutions. The more hope the market sees in this move helping the economy, the more likely we are to see mortgage rates move upward. Consumer Confidence and GDP numbers are also due this week. If GDP falls much below 5.5 % and Confidence drops, we could see more rates moving downward as economic struggles weigh heavily on the market.

### Stock Market Trend

Dow Jones



### Are Homes Downsizing or Rightsizing?

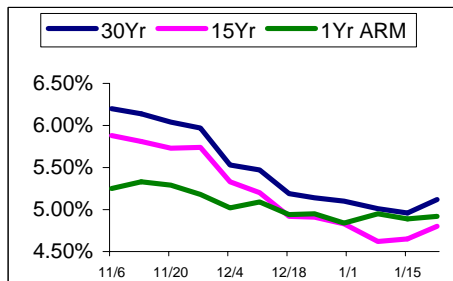
There has been talk of home sizes shrinking as the economy tumbles, but there has been little evidence. According to Census Bureau data, the average size of homes started in the second quarter of 2008 was 2,629 square feet, while homes started in the third quarter were 2,438 square feet. The trend toward smaller homes may be partially driven by economic forces, but some experts claim that we're beginning to get the message and live a more balanced and "green" lifestyle.

### Mortgage Rate Watcher

15 Day Rate Trend →

30 Day Rate Trend →

Market Volatility **High**



### Worth Remembering

Life is like a game of cards. The hand that is dealt you is determinism; the way you play it is free will.

Jawaharlal Nehru

### Weekly Trivia Challenge



Three variations of the United States flag were displayed as the new President was sworn into office. Name the significance of at least two of the flags.

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

### Rob Clark

Senior Loan Officer

310 King Street

Alexandria, VA 22314

www.prefmtg.com

703-518-2814 Office

240-460-0757 Cell

703-548-7060 Fax

[rsclark@cbmove.com](mailto:rsclark@cbmove.com)

