

PREMIER MORTGAGE GROUP WEEKLY MARKET UPDATE: JANUARY 6, 2012
 RATES FLAT DESPITE POSITIVE ECONOMIC DATA

January 6, 2012		
PRODUCT	0 pts	w/pts
30 Yr Fixed	4.0%	3.875% +0.5pt
FHA 30 Yr Fixed	3.875%	3.75% +0.125pt
5 Yr ARM	2.875%	2.75% +0.75pt
7 Yr ARM	3.25%	2.875% +1.0pt
5 Yr Jumbo ARM*	3.125%	2.75% +1.0pt
7 Yr Jumbo ARM*	3.5%	3.125% +1.0pt
* Up to \$1.5 million ----- This information is for real estate professionals only and is not intended for distribution to consumers. ----- Rates fluctuate and are always subject to credit approval. These rates are based on FICO scores of 740 and greater and loan amounts of at least \$200k. ----- Conforming ARM's assume 25% down payment. ----- All loans assume no origination fee.		

As my valued business partner, I want to keep you informed with the latest news. Feel free to contact me for more details!

Jennifer Asbury
 Senior Mortgage Banker
[720.212.9758](tel:720.212.9758) direct
[303.449.4455](tel:303.449.4455) fax
jasbury@pmglending.com
[visit my website](#)

Mortgage interest rates were flat on the week despite generally stronger than expected economic data as markets continue to focus on Europe.

Today's December employment report showed that unemployment fell to 8.5%, its lowest level since February 2009. Non-farm payrolls increased by 200k on expectations that they would increase by 150k. Private non-farm payrolls increased by 212k on expectations that they would increase by 160k. Other economic reports stronger than expected included the December ISM Manufacturing Index, November Construction Spending, weekly jobless claims, and the ADP Private Jobs Estimate for December. In Europe, confidence in the economic outlook fell to its lowest level in more than two years and German factory orders plunged. Greece's Prime Minister Lucas Papademos warned that his country may face economic collapse as early as March. As a result money seems to be staying in US Treasuries as a safety trade.

It is an election year. In addition to the distorted economic "analysis" offered by the ever-cheerful stock-market channels, CNBC and Bloomberg, all year long this year political interests will add their garbled gabble. Today's reports of 200,000 new jobs in December and unemployment down from 8.7% to 8.5% were greeted with happy bugles from the usual suspects. Ignore that and watch the markets themselves. Interest rates rise on legitimate good news; today's 10-year T-note yield has fallen to 1.94%, and mortgages are near 4.00% again. The stock market rises on good news, and today

it is flat to down. 200,000 jobs is good news, but year-over-year earnings have risen only 2.1%. A few back to work, but not the job that it was. And even if employment growth persists at that level, and new unemployment claims stay down as they were in December from 400,000 weekly, it's not enough to dent the job losses since 2007.

[Read more commentary here.](#)

	CURRENT	LAST WEEK
Dow Jones Ind. Avg.	12,376.91	12,256.84
10 year U.S. Treasury	1.951	1.880
WSJ Prime Rate	3.25	3.25
1 year LIBOR	1.13035	1.12805

	RELEASE DAY
Retail Sales	Thursday
Jobless Claims	Thursday
International Trade	Friday
Consumer Sentiment	Friday

NMLS# 419077 & 167347- Look up your lender's license at www.nmlsconsumeraccess.org.