



Ashley Moore's

Weekly Mortgage Update



**Week of
April 27,
2008**

**Mortgage
Market
Commentary**

Mortgage rates began trending higher last week as the limited amount of economic news that came out was not as dire as expected. While the economy continues to run at a sub-par level, there is some evidence that we may not drop as far, or last as long, as some have been predicting. With inflation refusing to behave, signs of stability are increasing the chances that the Fed will stand pat on rates.

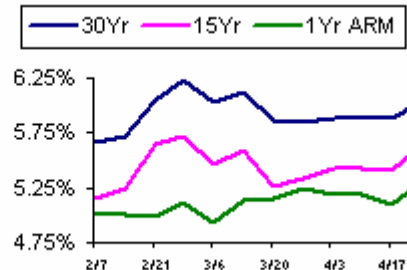
This week is huge in terms of important events and data for financial markets. There is a moderate likelihood that the Fed will trim rates another ¼-point on Tuesday. However, this is unlikely to help mortgage rates, as they have been held in check by growing inflationary concerns. We could see mortgage rates begin to climb aggressively if GDP for the 1st quarter comes in above 0.8% or if Friday's Employment Report is much better than expected. Either of these would indicate that the economy may be faring better than thought. This would free the Fed to return to focusing efforts on fighting inflation, which could lead to the possibility of higher interest rates later this year.

Mortgage Rates

Freddie Mac's Primary Mortgage Market Survey

	April 24		4/17/08
30 Year Fixed	6.03%	▲	5.88%
15 Year Fixed	5.62%	▲	5.40%
One Year ARM	5.29%	▲	5.10%

For more information visit www.FreddieMac.com



Rates & Indexes

1 Yr T-Bill	1.670%
12 Mn Libor	3.235%
6 Mo Libor	3.080%
11 th D. COFI	3.560%
Prime	5.250%
Fed Fund	2.250%

Economic Snapshot

Gross Domestic Product

27-Mar ▼ %pt Chg
+0.6% 4.3
Slowing Growth

Consumer Confidence

25-Mar ▼ pt Chg
64.5 11.9
Confidence Decreasing

Housing Starts

16-Apr ▼ % Chg
947K 11.9%
Slowing Growth

Dow Jones 12,891.86 NASDAQ 2,422.93
NYSE 9,344.31 S&P 500 1,397.84

Unemployment Rate

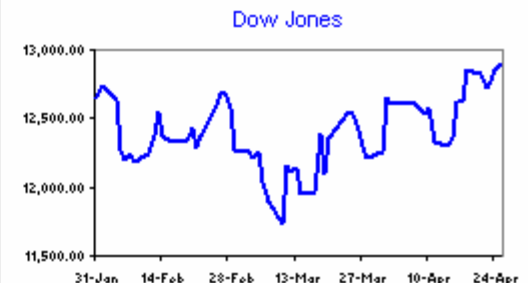
4-Apr ▲ %pt Chg
5.1% 0.3
Unemployment Growing

US Retail Sales

14-Apr ▲ % Chg
381.4b 0.2%
Sluggish Growth

Existing Home Sales

22-Apr ▼ % Chg
4.93m 2.0%
Slowing Growth



Leading Indicators (LEI)

17-Apr ▲ % Chg
102.0 0.3
Sluggish Growth

Manufacturing Activity

1-Apr ▲ pt Chg
48.6 0.3
Manufacturing Contracting

New Home Sales

24-Apr ▼ % Chg
526K 8.5%
Slowing Growth

Bonehead of the Week

A "too dumb to be a criminal" bonehead award goes to Reginald Newman in Kirksville, MO. Newman visited a Wal-Mart store to pick up a new television. A 26-inch LCD model caught his eye, but he just wasn't interested in spending over \$500 for it. So he simply switched the UPC code from the TV with another product. Unfortunately, the clerk just wasn't buying that the television should go for \$3.16. The fact that the UPC code was ringing up as a water bottle didn't help either! - Gatehouse Media.

GRANITE MORTGAGE, INC.

Financing The American Dream

336-760-4911 ext. 118

336-918-9935 cell

*Financial Strategies That Stimulate
Growth & Stability in Your Life*

791 Jonestown Road, Suite 110, Winston-Salem, NC 27103