

Positive Signs Abound

Tim McLaughlin

Mortgage applications increased 23.1% from one week earlier, according to data from the Mortgage Bankers Association's (MBA) Weekly Mortgage Applications Survey for the week ending Jan. 13. The data includes an adjustment for New Year's Day.

The MBA market composite index increased 23.1% on a seasonally adjusted basis from one week earlier. On an unadjusted basis, the index increased 38.1% compared with the previous week.

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Fewer Americans than forecast filed first time applications for unemployment benefits last week, easing concern that post-holiday firings were on the rise.

Claims plunged by 50,000 to 352,000 in the week ended Jan.14, the lowest level since April 2008, Labor Department figures showed today in Washington. The median forecast of 41 economists in a Bloomberg News survey projected 384,000. The four-week average, which smoothes out fluctuations, decreased to 379,000 last week from 382,500.

Companies are slowing the pace of firings and beginning to step up the pace of hiring even as a slump in Europe spurred by a default crisis may limit U.S. growth. The improvement may be a sign that companies are looking to expand their workforces as sales climb.

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Oil demand is falling for the first time since the 2008-2009 global financial crisis as a result of a mild winter, high crude prices and the European economic crisis, according to fresh estimates from the International Energy Agency. The industrialized nations' watchdog said oil demand dropped by 300,000 barrels a day in the final quarter of 2011. Such a fall is rare: over the last decade, oil demand has posted drops only in the financial crisis of mid-2008 to mid-2009. The end game on the supply/demand curve is as demand falls, so, too, should prices.

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The spring market is around the corner...we can help!

The Week Ahead -> The "Keys"

- The FOMC, the State of the Union, and Housing Data

Date	Economic Release	Prediction	Last
1/24	Richmond Fed Manufacturing	5	3
1/24	State of the Union Address	-	-
1/25	MBA Mortgage Applications	-	23.1%
1/25	House Price Index (MoM)	-	-0.2%
1/25	Pending Home Sales (MoM)	1.0%	7.3%
1/25	Pending Home Sales (YoY)	-	6.9%
1/25	FOMC Rate Decision	0.25%	0.25%
1/26	Chicago Fed Nat Activity	-	-0.37
1/26	Cap Goods Shipped	-	-1.0%
1/26	Durable Goods Orders	1.8%	3.7%
1/26	ex Transportation	1.0%	0.3%
1/26	Cap Goods Orders	-	-1.2%
1/26	Initial Jobless Claims	-	352K
1/26	Continuing Claims	-	3432K
1/26	BB Consumer Comfort	-	-47.4
1/26	Leading Indicators	0.7%	0.5%
1/26	New Home Sales	320K	315K
1/26	New Home Sales (MoM)	1.6%	1.6%
1/26	KC Fed Manufacturing	-	-4
1/27	GDP (QoQ - Annualized)	3.0%	1.8%
1/27	GDP Price Index	2.0%	2.6%
1/27	Core PCE (QoQ)	0.9%	2.1%
1/27	Personal Consumption	2.3%	1.7%
1/27	U of Michigan Confidence	74.0	74.0

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