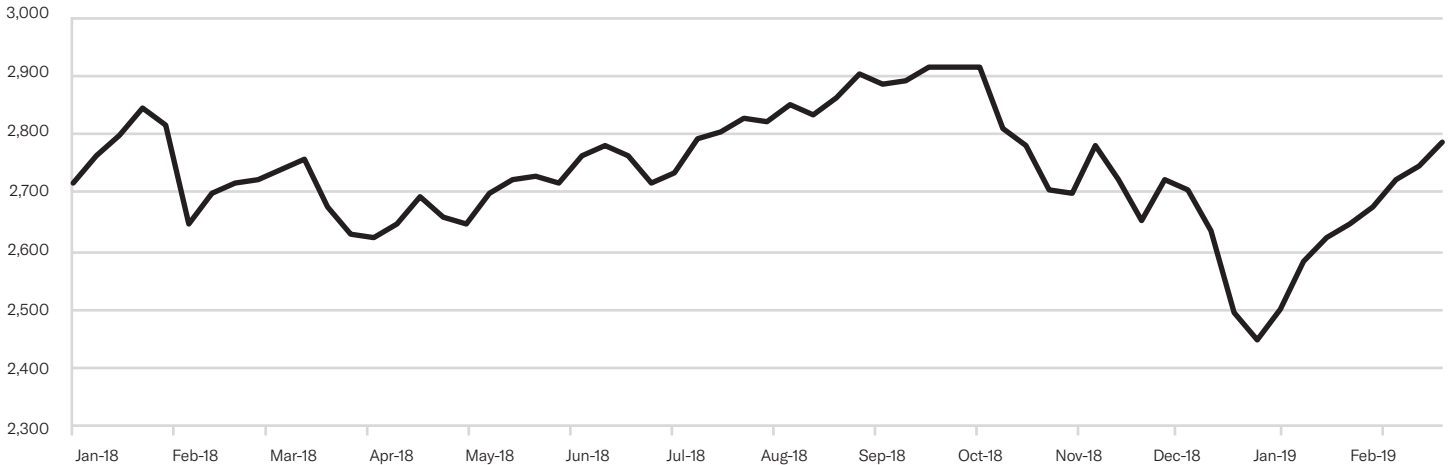




Weekly S&P 500 Index

Source: St. Louis Fed

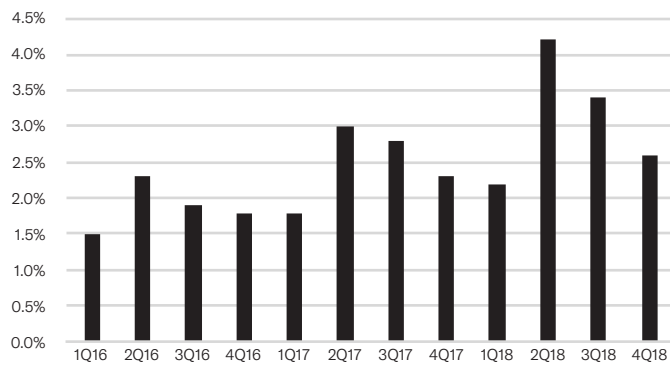


Stocks Start 2019 Strong

- After a terrible end to 2018, the S&P 500 posted its best January in over 30 years.
- The index was up 7.9% for the month, helped by the Fed indicating it would be more flexible with future rate hikes.
- The gains have continued through the first three weeks of February, aided by a very strong January employment report.

US Economic Growth

Source: BEA

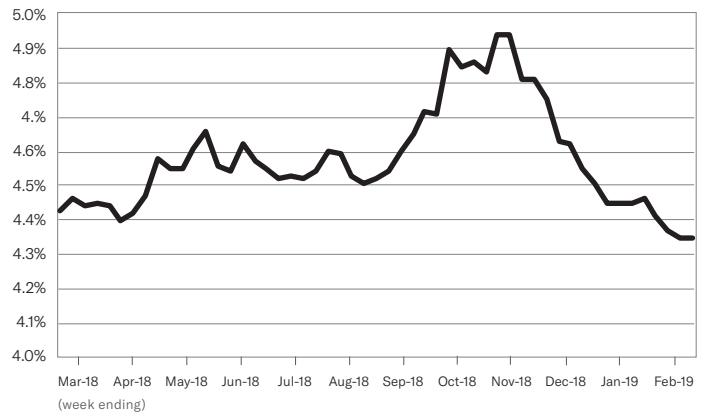


Economic Growth Better Than Expected

- The US economy outperformed expectations in the fourth quarter, with GDP rising at a 2.6% annual pace.
- Despite concerns of a slowing global economy, stock market volatility, and Federal Reserve rate hikes, consumer spending—which accounts for about 70% of the economy—rose at a 2.8% rate.
- On an annual basis, GDP was 2.9% higher in 2018 than 2017, the largest increase since 2015.

Average 30-Year Mortgage Rate

Source: Freddie Mac



Mortgage Rates Unchanged

- Rates for 30-year conforming mortgages averaged 4.35% for the week ending February 28th, unchanged from the prior week.
- After reaching 4.94% in mid-November, rates have fallen almost 60 basis points.
- One year ago, 30-year rates were averaging 4.43%.

About Our Research Division

Gregory Heym is widely recognized as an industry expert, and is a member of the New York City Economic Advisory Panel. Previously, he served as Vice President and Chief Economist for The Real Estate Board of New York. He received his B.S. in Economics from Saint John's University, and his M.B.A. in Finance from Hofstra University. Visit terraeconomics.com for the latest economic headlines.

