



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Mail Stop 4720

January 14, 2010

By U.S. Mail and Facsimile to (617) 848-4390

John K. Bray
Chief Financial Officer
New Star Financial, Inc.
500 Boylston Street, Suite 1600
Boston, Massachusetts 02116

**Re: NewStar Financial, Inc.
Form 10-K for the Fiscal Year Ended December 31, 2008
File No. 001-33211**

Dear Mr. Bray:

We have completed our review of your Form 10-K and related filings and have no further comments at this time.

Sincerely,

Amit Pande
Accounting Branch Chief