

# Economic CALENDAR

November  
2024

Monday	Tuesday	Wednesday	Thursday	Friday
				<b>1</b> <b>Employment Report</b> Construction Spending ISM Manufacturing Index Trade Balance
<b>4</b> Factory Orders	<b>5</b> ISM Non-Manufacturing Index	<b>6</b> <b>FOMC Meeting</b> MBA Mortgage Applications	<b>7</b> <b>FOMC Meeting &amp; Statement</b> Productivity Consumer Credit Weekly Jobless Claims	<b>8</b> Consumer Sentiment
<b>11</b> <b>Veterans Day</b> Bond Markets Closed	<b>12</b> NFIB Business Optimism	<b>13</b> <b>CPI</b> Fed Budget MBA Mortgage Apps	<b>14</b> <b>PPI</b> Weekly Jobless Claims	<b>15</b> <b>Retail Sales</b> Industrial Production Business Inventories Import-Export Prices
<b>18</b> NAHB Index	<b>19</b> <b>Housing Starts &amp; Permits</b>	<b>20</b> MBA Mortgage Applications	<b>21</b> <b>Existing Home Sales</b> Leading Economic Indicators Weekly Jobless Claims	<b>22</b> Consumer Sentiment
<b>25</b>	<b>26</b> <b>New Home Sales</b> Consumer Confidence S&P CS Home Price Index FHFA Home Price Index	<b>27</b> <b>GDP, PCE, FOMC Minutes</b> <b>Pending Home Sales</b> Personal Income, Durable Goods, MBA Mortgage Apps	<b>28</b> <b>Thanksgiving</b> (Markets Closed)	<b>29</b> <b>Black Friday</b> Markets close early



## Mortgage Economic Review November 2024

The **Mortgage Economic Review** is a monthly summary of Key Economic Indicators, Data, and Events pertinent to Mortgage, Housing, and Finance Professionals.

### AT A GLANCE - Key Economic Events and Data released during October 2024

- **Interest Rates:** The 10-year Treasury yield rose to 4.28% (Oct 31) from 3.81% (Sep 30).
- **Housing:** Existing Home Sales fell 1.0% (-3.5% YoY), New Home Sales rose 4.1% (+6.3% YoY), and Home Prices are up 4.2% to 5.2% YoY.
- **Labor:** The US Economy created 12,000 New Jobs in October and 223,000 in September. The Unemployment Rate fell to 4.1%. Wage Growth rose at a 4.0% YoY pace.
- **Inflation:** CPI rose 0.2% in September (+2.4% YoY), and PCE rose 0.2% (+2.1% YoY).
- **The Economy:** US GDP grew at a 2.8% annualized rate in 3Q2024, up 2.7% YoY.
- **Consumers:** Retail Sales rose 0.4% in September (+1.7 YoY), Consumer Confidence rose 9.6%.
- **Stock Markets** fell in October: Dow -1.3%, S&P -1.0%, Nasdaq -6.0%.
- **Oil Prices** rose to \$70/Barrel (Oct 31) from \$68/Barrel (Sep 30).

### Interest Rates and Fed Watch

Interest Rates took a surprising jump during October. The yield on 10-year Treasury Notes rose 40 BPs while 30-year Mortgage Rates rose 60 BPs. Why the jump? A lot of uncertainty - the Stock and Bond Markets don't like uncertainty. The Markets feared the escalation of tensions between Israel and Iran could become a major war, raising oil prices and reigniting Inflation. Also, strong Labor Data from September indicated the Employment Market was not slowing down fast enough to help quell Inflation. We have a very contentious election around the corner with no clear front-runner. The next Fed Announcement is Wednesday, November 6th. Economists expect the Fed to cut the Fed Funds Rate by 0.25% (a 0.50% cut is possible) as they continue easing Interest Rates.

- **10-Year Treasury Note Yield** rose to 4.28% (Oct 31) from 3.81% (Sep 30).
- **30-Year Treasury Bond Yield** rose to 4.47% (Oct 31) from 4.14% (Sep 30).
- **30-Year Fixed Mortgage** rose to 6.72% (Oct 31) from 6.08% (Sep 26).
- **15-Year Fixed Mortgage** rose to 5.99% (Sep 26) from 5.51% (Aug 29).

### Housing Market Data Released during October 2024

Housing Data was mixed in October. Some numbers down, some up, nothing significant - except Mortgage Rates. 30 year Fixed Mortgage rates jumped above 7.0% in October. The spike may have motivated some buyers to pull the trigger and buy a Home while discouraging others as they continued to get priced out of Homeownership. If the Fed continues to ease Interest Rates, Mortgage Rates will drift down to September levels and lower. In the meantime, the Inventory of Homes for sale continued to rise along with Home Prices, which are up 4.0% to 5.0% this year.

- **Existing Home Sales** (closed deals in September) fell 1.0% to an annual rate of 3,840,000 homes (3,470,000 SFR + 370,000 Condos), down 3.5% in the last 12 months. The median Single-Family Home price is \$409,000, up 2.9% YoY. The Median Condo price is \$361,600, up 2.2% YoY. Homes were on the market for an average of 28 days. Currently, 1,390,000 homes are for sale, up 23.0% YoY.
- **New Home Sales** (signed contracts in September) rose 4.1% to a seasonally adjusted annual rate of 738,000 homes, up 6.3% YoY. (668,000 New Homes were sold in 2023). The median New Home price is \$426,300 (Peak of \$496,800 in Oct 2022). The average price is \$501,000 (Peak of \$568,700 in Dec 2022). There are 470,000 New Homes for sale (low of 281,000 in October 2020), a 7.6 month supply.
- **Pending Home Sales Index** (signed contracts in September) rose 7.4% to 75.8 from 70.6 the previous month, up 2.6% YoY.
- **Building Permits** (issued in September) fell 2.9% to a seasonally adjusted annual rate of 1,428,000 units - down 5.7% YoY. Single-Family Permits rose 0.3% to an annual pace of 970,000 homes, down 1.2% YoY.
- **Housing Starts** (excavation began in September) fell 0.5% to a seasonally adjusted annual rate of 1,354,000, down 0.7% YoY. Single-Family Starts rose 2.7% to 1,027,000 units, up 5.5% YoY.
- **Housing Completions** (completed in September) fell 5.7% to a seasonally adjusted annual rate of 1,680,000 units - up 14.6% YoY. Single-Family Completions fell 2.7% to an annual adjusted rate of 1,000,000 homes - up 1.6% YoY.
- **S&P/Case-Shiller 20 City Home Price Index** rose 0.4% in August, up 5.2% YoY.
- **FHFA Home Price Index** rose 0.3% in August, up 4.2% YoY.
- **NAHB Index** for October rose 4.9% to 43 from 41 the prior month, up 7.5% YoY.

### Labor Market Economic Data Released during October 2024

The **Economy** created 12,000 New Jobs during October and 223,000 in September. The October Labor Data surprised Economists who predicted an increase of 125,000 new Jobs. August New Jobs was revised down 81,000. Why the weak numbers? It could be that Hurricanes Helene and Milton disrupted employment in several heavily populated Southeast States. It's always important to remember that one Data Point does not make a trend. In the last year, the Economy created an average of 194,000 New Jobs each month (+2,328,000 per year). The Economy is still creating new jobs but at a lower pace. Who's doing the hiring? Health Care added 52,000 jobs, Government Jobs up 40,000, and Construction up 8,000. Manufacturing lost 46,000 jobs, but much of that can be attributed to strikes.

- The **Economy** created 12,000 New Jobs during October and 223,000 in September.
- The **Unemployment Rate** fell to 4.1% in October and September from 4.2% in August and 4.3% in July.
- The **Labor Force Participation Rate** fell to 62.6 during October from 62.7% in September, August, and July.
- The **Average Hourly Wage** rose 0.4% during October and 0.4% in September, up 4.0% YoY.
- **Job Openings** fell to 7,440,000 in September after rising to 7,860,000 in August from 7,673,000 in July and 8,180,000 in June, down 20.0% YoY.

### Inflation Economic Data Released during October 2024

Data released in October shows that Inflation continued to slowly drift lower, approaching the Fed's 2.0% target. CPI was 2.4% YoY, and PCE was 2.1% YoY. Some of the monthly data was slightly higher than September, but the trend is still pointing down. The conflict between Israel and Iran spooked the Energy Markets. An escalation of fighting in the Mideast could disrupt oil shipments, spike oil prices, and reignite Inflation. That possibility is always a constant threat, but so far, it hasn't materialized.

- **CPI** rose 0.2%, up 2.4% YoY | **Core CPI** rose 0.3%, up 3.3% YoY
- **PPI** unchanged, up 1.8% YoY | **Core PPI** rose 0.1%, up 3.2% YoY
- **PCE** rose 0.2%, up 2.1% YoY | **Core PCE** rose 0.3%, up 2.7% YoY

### GDP Economic Data Released during October 2024

The 1st estimate of 3rd Quarter 2024 GDP showed the **US Economy** grew at a 2.8% annualized rate (2.7% YoY). The US Economy continues to defy expectations. It has shrugged off Inflation, geopolitical tensions, uncertain political environment, high oil prices, labor strikes, high national debt and continues to grow.

### Consumer Economic Data Released during October 2024

Consumers were very upbeat in October. Consumer Confidence jumped 9.6% to 108.7. That's the second highest all year. Other Consumer indicators are also looking optimistic. Retail Sales, Consumer Spending and Income are all up for the year. This is despite the contentious elections. With all this favorable Consumer Data, it is hard to foresee a Recession in the future.

- **Retail Sales** rose 0.4% during September, up 1.7% in the last 12 months.
- **Consumer Confidence Index** rose 9.6% to 108.7 from 99.2 the prior month up 9.7% YoY.
- **Personal Spending** rose 0.5% in September, up 5.3% YoY.
- **Personal Income** rose 0.3% in September, up 5.5% YoY.

### Energy, International, and Things You May Have Missed

- **West Texas Intermediate Crude** rose to \$70/Barrel (Oct 31) from \$68/Barrel (Sep 30).
- **North Sea Brent Crude** rose to \$74/Barrel (Oct 31) from \$72/Barrel (Sep 30).
- **Natural Gas** fell to \$2.71/MMBtu (Oct 31) from \$2.91/MMBtu (Sep 30).
- **Gasoline** (Wholesale Futures Price) rose to \$2.00/Gal (Oct 31) from \$1.96/Gal (Sep 30).
- Dockworker Unions at East Coast and Southern ports agreed to temporarily suspend a strike until January 15 as they continue to negotiate with port owners.
- Back-to-back Hurricanes Helene and Milton battered Florida and other Southeast States in the course of 2 weeks.

## Click n' Close Mortgage TPO Lending

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