

Economic CALENDAR

March
2026

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30	31 Consumer Confidence S&P CS Home Price Index FHFA Home Price Index	<div style="border: 1px solid black; padding: 5px;"> <p>Due to the Government Shutdown in November 2025, the release dates of many Economic Indicators generated by Government Agencies were not published on time, and rescheduling is tentative. Consequently, release dates are subject to change, especially in the first 6 months of 2026.</p> </div>		



Mortgage Economic Review March 2026

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

Government Agencies that release Economic Data are still catching up. Consequently, Economic Data is improving but still delayed and spotty. Given the nature of data collection and analysis, expect frequent revisions over the next several months.

AT A GLANCE - Key Economic Events and Data released during February 2026

- **Interest Rates:** The 10-year Treasury yield fell to 3.95% (Feb 27) from 4.26% (Jan 30).
- **Housing:** Existing Home Sales fell 8.4% (-4.4% YoY), New Home Sales fell 1.7% (-3.8% YoY). Home Prices are up about 1.4% to 1.8% YoY.
- **Labor:** The US Economy created 130,000 New Jobs during January. The Unemployment Rate fell to 4.3%, and Wages are growing at 3.7% YoY.
- **Inflation:** January CPI rose 0.2% (+2.4% YoY), and December PCE rose 0.4% (+2.9% YoY).
- **The Economy:** US GDP grew at a 1.4% annualized rate in 4Q2025, up 2.3% YoY.
- **Consumers:** Retail Sales were flat in December (+2.4% YoY), and Consumer Confidence and Sentiment both rose in February.
- **Stock Markets** were mixed in February: Dow +0.2%, S&P -0.9%, Nasdaq -3.4%.
- **Oil Prices** rose to \$67/Barrel (Feb 27) from \$65/Barrel (Jan 30).

Interest Rates and Fed Watch

Interest Rates slid about 0.25% in February. The Interest Rate on a 30-year Fixed Conventional Mortgage fell below the 6.00% threshold for the first time in several years. Likewise, the 10-year Treasury yield fell below 4.00%. Why the recent drop? Even though Inflation remains high, Market Analysts expect Interest Rates to drop in the 2nd half of the year. Plus, Geopolitical tensions usually generate a flight to quality in US Securities. Since Inflation is above the Fed's 2.0% target, don't expect the Fed to cut interest rates any time soon. Fed Watchers don't expect any changes to Monetary Policy at the next FOMC Meeting on March 18th and 19th.

- **10-Year T-Note Yield** fell to 3.95% (Feb 27) from 4.26% (Jan 30).
- **30-Year T-Bond Yield** fell to 4.62% (Feb 27) from 4.87% (Jan 30).
- **30-Year Mortgage** fell to 5.98% (Feb 26) from 6.10% (Jan 29).
- **15-Year Mortgage** fell to 5.44% (Feb 26) from 5.49% (Jan 29).

Housing Market Data Released during February 2026

February had another month of mediocre Housing Data. Existing Home Sales fell 8.4%. That's a large drop since Existing Home Sales accounts for 90% of all homes sold. Take that number with a grain of salt. That data was from January - a very cold and snowy January for most of the country, including many southern states. People don't like to shop for homes in bad weather. Expect sales to increase when the weather improves. On the positive side, Housing Permits, Starts, and Completions were all higher.

- **Existing Home Sales** (closed deals in January) fell 8.4% to an annual rate of 3,910,000 homes (3,530,000 SFR + 380,000 Condos), down 4.4% in the last 12 months. The median Single Family Home price is \$400,300, up 0.6% YoY. The Median Condo price is \$364,600, up 3.8% YoY. There are 1,220,000 Homes for Sale, down 3.4% YoY.
- **Pending Home Sales Index** (signed contracts in January) fell 0.8%, down 0.4% YoY.
- **New Home Sales** (signed contracts in December) fell 1.7% to a seasonally adjusted annual rate of 745,000 Homes, up 3.8% YoY (679,000 New Home were sold in 2025 (686,000 in 2024, & 668,000 in 2023). The median New Home price rose 4.2% to \$414,400, down 2.0% YoY (Peak \$496,800 Oct 2022). The average price rose 0.5% to \$532,000, up 4.7% YoY (Peak \$568,700 Dec 2022). There are approximately 472,000 New Homes for sale, down 3.5% YoY (Low of 281,000 in Oct 2020).
- **Building Permits** (issued in December) rose 4.3% to a seasonally adjusted annual rate of 1,448,000 units, down 2.2% YoY. Single-Family Permits fell 1.7% to an annual pace of 881,000 homes, down 10.9% YoY.
- **Housing Starts** (excavation began in December) rose 6.2% to a seasonally adjusted annual rate of 1,404,000, down 7.3% YoY. Single-Family Starts rose 4.1% to 981,000 units, down 9.0% YoY.
- **Housing Completions** (completed in December) rose 2.3% to a seasonally adjusted annual rate of 1,525,000 units, down 0.1% YoY. Single-Family Completions fell 0.1% to an annual adjusted rate of 1,023,000 homes, up 10.2% YoY.
- **S&P/Case-Shiller 20 City Home Price Index** rose 0.5% in December, up 1.4% YoY.
- **FHFA Home Price Index** rose 0.1% in December, up 1.8% YoY.
- **The NAHB Index** fell 2.7% to 36 in February from 37 in January, down 14.3% YoY.

Labor Market Economic Data Released during February 2026

There was mostly good Employment Data in February. The Unemployment Rate fell, Wages are rising, Labor Participation is up, and the Economy created 130,000 New Jobs in January. However, Job Openings trended down in 2025. In January 2025, there were 7,762,000 Job Openings. By December, it fell to 6,542,000. The Labor Market is chugging along, but at a slower pace.

- **The Economy** created 130,000 New Jobs during January and 48,000 in December.
- **The Unemployment Rate** fell to 4.3% in January from 4.4% in December.
- **The Labor Force Participation Rate** rose to 62.5% in January from 62.4% in December.
- **The Average Hourly Wage** rose 0.4% in January, up 3.7% YoY.
- **Job Openings** fell to 6,542,000 in December from a revised 6,928,000 in November, down 12.9% YoY. (In 2024, the average Job Openings was 7,800,000).

Inflation Economic Data Released during February 2026

The Government has almost caught up with the backlog of Inflation Data. Depending on which Inflation Indicator you choose, Inflation is generally in the 2.4% to 3.0% range. Core Inflation is trending higher in the 2.5% to 3.5% range. Shelter Inflation rose 0.2% and was the main driver of the January CPI. In January, Food prices rose 0.2%, Energy prices fell 1.5%, and Gasoline prices fell 3.2%. The Gas price decline significantly helped pull down the CPI. Used Cars dropped 1.8%. Shelter Inflation has been, and continues to be, the main driver of Inflation for the last 5 years. Food Inflation is 2nd place.

January Inflation Data

- **CPI** rose 0.2%, up 2.4% YoY | **Core CPI** rose 0.3%, up 2.5% YoY
- **PPI** rose 0.5%, up 2.9% YoY | **Core PPI** rose 0.3%, up 3.4% YoY
- **PCE** delayed until 03/13/2026 | **Core PCE** delayed until 03/13/2026

December Inflation Data

- **CPI** rose 0.3% in Dec, up 2.7% YoY | **Core CPI** rose 0.2% in Dec, up 2.6% YoY
- **PPI** rose 0.4% in Dec, up 3.0% YoY | **Core PPI** rose 0.4% in Dec, up 3.5% YoY
- **PCE** rose 0.4% in Dec, up 2.9% YoY | **Core PCE** rose 0.4% in Dec, up 3.0% YoY

November Inflation Data

- **CPI** rose 0.2% Nov, up 2.7% YoY | **Core CPI** rose 0.2% in Nov, up 2.6% YoY
- **PPI** rose 0.2% in Nov, up 3.0% YoY | **Core PPI** rose 0.2% in Nov, up 3.5% YoY
- **PCE** rose 0.2% in Nov, up 2.8% YoY | **Core PCE** rose 0.2% in Nov, up 2.8% YoY

GDP Economic Data Released during February 2026

The Economy slowed down last fall. The 1st Estimate of 4th Quarter 2025 GDP indicates the **US Economy** grew at a 1.4% annual rate in 4Q2025. That's a huge drop from 4.4% in the 3rd Quarter. Economists expected a 2.5% growth rate. The government shutdown played a substantial part in the drop. The Tariff rollercoaster also played a big part. Keep in mind that this is the 1st estimate. The next 2 estimates will provide a clearer picture of GDP.

- **US GDP** grew at a 1.4% rate in 4Q2025, up 2.3% YoY.
- **Durable Goods Orders** fell 1.4% in December, up 10.0% YoY.
- **Capacity Utilization** rose to 76.2% in January from a revised 75.7% in December.
- **Industrial Production** rose 0.7% in January, up 2.3% YoY.

Consumer Economic Data Released during February 2026

Final numbers are in for the 2025 Holiday Sales, and they are disappointing. Retail Sales in December were flat after a 0.4% (revised) increase in November. Did Consumers do their Holiday shopping early? Consumers may be changing their Holiday spending patterns and front-loading their purchases. Retail Sales increased 4.0% in 2025, 2.6% in 2024, and 3.5% in 2023. The long-term growth trend is consistent. Consumers are still adjusting to the disruption of the Pandemic. Also, keep in mind these numbers are reported in dollar amounts and not adjusted for Inflation. Over the past 3 years, Consumers aren't really buying more stuff; they are just paying more.

- **Retail Sales** were flat in December, after rising 0.4% in November, up 2.4% YoY.
- **Consumer Confidence Index** rose 2.5% to 91.2 in February from a revised 89.0 in January.
- **Consumer Sentiment** rose 0.4% to 56.6 in February from 56.4 in January, down 12.5% YoY.

Energy, International, and Things You May Have Missed

- **West Texas Intermediate Crude** rose to \$67/Barrel (Feb 27) from \$65/Barrel (Jan 30).
- **North Sea Brent Crude** rose to \$73/Barrel (Feb 27) from \$69/Barrel (Jan 30).
- **Gasoline** (Wholesale Futures) rose to \$2.07/Barrel (Feb 27) from \$1.92/Gal (Jan 30).
- **Natural Gas** fell to \$2.86/MMBtu (Feb 27) from \$4.35/MMBtu (Jan 30).
- The US and Israel launched attacks on selected targets in Iran which resulted in the death of its Supreme Leader Ayatollah Ali Khamenei.
- The Supreme Court ruled the President cannot use the International Emergencies Power Act to impose tariffs on trading partners.
- Pakistan declared War on Afghanistan as tensions between the 2 countries escalated.

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