Economic CALENDAR

August 2026

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10	**11** Existing Home Sales NFIB Business Optimism	**12** CPI Fed Budget MBA Mortgage Applications	**13** PPI Weekly Jobless Claims	**14** Retail Sales Business Inventories Consumer Sentiment
17	**18** Housing Starts & Permits Pending Home Sales Industrial Production Import-Export Prices	**19** FOMC Minutes MBA Mortgage Applications	**20** Weekly Jobless Claims	**21**
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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.

Mortgage Economic Review August 2026

The **Mortgage Economic Review** is a Concise Monthly Summary of Key Economic Data and Events for Mortgage, Housing, and Finance Professionals.

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

- **Interest Rates:** The 10-year Treasury yield rose to 4.75% (Jul 31) from 4.44% (Jun 30).
- **Housing:** Existing Home Sales fell 2.4% (+2.8% YoY), New Home Sales rose 1.6% (-5.6% YoY). Home Prices are up 1.6% - 2.2% YoY.
- **Labor:** The US Economy added 57,000 Jobs during June. The Unemployment Rate fell to 4.2%, and Wages are growing at 3.5% YoY.
- **Inflation:** June CPI fell 0.4% (+3.5% YoY), and PCE fell 0.1% (+3.7% YoY).
- **The Economy:** US GDP grew at a 1.5% annualized rate in 2Q2026, up 2.1% YoY.
- **Consumers:** Retail Sales rose 0.2% in June (+6.7% YoY), Consumer Confidence fell while Consumer Sentiment rose in July.
- **Stock Markets** were mixed in July: Dow +0.3%, S&P unchanged, Nasdaq -3.2%.
- **Oil Prices** rose to $85/Barrel (Jul 31) from $70/Barrel (June 30) and $87/Barrel (May 29).

Interest Rates and Fed Watch

The last FOMC Meeting concluded on July 29th, with the Fed leaving the Fed Funds Rate unchanged at 3.50%-3.75%. The Fed Statement said: "Economic activity is expanding at a solid pace despite elevated uncertainty that owes, in part, to the conflict in the Middle East. Productivity growth and capital investment are strong. Job gains have kept pace with the workforce, and the unemployment rate has changed little. Inflation remains elevated relative to the Committee's 2% goal, in part reflecting supply shocks that have driven price increases in certain sectors, including energy."

Fedspeak Translation: The Economy is doing OK for now, but Inflation is too high because the Iran War raised Energy Prices.

Basically, the Fed Statement said nothing - and the Markets didn't like it. Stocks tumbled and Bond Yields jumped. This volatility is a sign the Markets are disregarding what the Fed says. Market Analysts doubt that the Iran War will end soon. Therefore, Inflation will stay high for the foreseeable future, and the Fed will have to raise Interest Rates.

There are 4 more FOMC Meetings left in 2026, with the next meeting on Sep 15th and 16th. At this point, Fed Watchers expect the Fed to do one more Interest Rate Hike at one of those meetings. All eyes are now focused on the Fed Chairman's speech at the Jackson Hole Symposium, which will occur August 27th through 29th.

The Bottom Line: Inflation and Interest Rates will remain high until the Iran War concludes and oil starts flowing through the Straight of Hormuz.

- **10-Year T-Note Yield** rose to 4.76% (Jul 31) from 4.4% (Jun 30).
- **30-Year T-Bond Yield** rose to 5.27% (Jul 31) from 4.91% (Jun 30).
- **30-Year Mortgage** rose to 6.60% (Jul 30) from 6.49% (Jun 25).
- **15-Year Mortgage** rose to 6.04% (Jul 30) from 5.84% (Jun 25).

Housing Market Data Released during July 2026

Housing Data was a roller coaster in the first half of 2026. Up one month, down the next, then revised. The Stop & Start Housing Market reflects uncertainty in Inflation, Interest Rates, Energy, Geopolitics, and Affordability. Singe Family Permits and Starts are each running about 900,000 per year. Builders are constructing more lower-priced homes to help Affordability. Inventory is holding steady at about 2,000,000 units for sale (1,560,000 Existing Homes + 485,000 New Homes).

- **Existing Home Sales** (closed deals in June) fell 2.4% to an annual rate of 4,090,000 homes (3,730,000 SFR + 360,000 Condos), up 2.8% YoY. The median Single Family Home price is $446,400, up 1.8% YoY. The Median Condo price is $380,000, up 1.6% YoY. There are 1,560,000 Existing Homes for Sale, up 1.3% YoY.
- **Pending Home Sales Index** (signed contracts in June) fell 5.4%, down 0.3% YoY.
- **New Home Sales** (signed contracts in June) rose 1.6% to a seasonally adjusted annual rate of 628,000 Homes, down 5.6% YoY (679,000 New Homes were sold in 2025, 686,000 in 2024, & 668,000 in 2023). The median New Home price fell 3.3% to $398,300, down 2.7% YoY (Peak $496,800 Oct 2022). The average price fell 9.5% to $475,400, down 6.5% YoY (Peak $568,700 Dec 2022). There are approximately 485,000 New Homes for sale, down 3.2% YoY (Low of 281,000 in Oct 2020).
- **Building Permits** (issued in June) fell 3.0% to a seasonally adjusted annual rate of 1,367,000 units, down 2.3% YoY. Single-Family Permits fell 2.4% to an annual pace of 871,000 homes, down 0.2% YoY.
- **Housing Starts** (excavation began in June) rose 19.0% to a seasonally adjusted annual rate of 1,427,000, up 3.5% YoY. Single-Family Starts fell 0.2% to 895,000 units, down 3.2% YoY.
- **Housing Completions** (completed in June) rose 3.3% to a seasonally adjusted annual rate of 1,392,000 units, up 1.5% YoY. Single-Family Completions rose 6.6% to an annual adjusted rate of 964,000 homes, up 5.5% YoY.
- **S&P/Case-Shiller 20 City Home Price Index** rose 0.1% in May, up 1.6% YoY.
- **FHFA Home Price Index** rose 0.3% in May, up 2.2% YoY.
- **The NAHB Index** fell 5.6% to 34 in July from a revised 36 in June and 37 in May, down 8.8% YoY. (High: 90 in Nov 2020).

Labor Market Economic Data Released during July 2026
The latest Jobs Report was the weakest in several months. The Economy created only 57,000 New Jobs in June, far below the expected 113,000. Plus, Job Creation in April and May was revised down by 74,000. In the last 3 months, average Job Creation was 111,000, which is a large drop from a few months ago. The Unemployment Rate dropped to 4.2%. That's usually a good sign, but it was due to a lower Labor Force Participation Rate. Just because we got disappointing data doesn't mean the Labor Market is deteriorating yet. We need to see a trend over the next few months. Also, keep in mind the Government Shutdown in October may still be affecting the accuracy of Labor data.

- The **Economy** added 57,000 New Jobs during June, 129,000 in May, and 148,000 in April.
- The **Unemployment Rate** fell to 4.2% in June, from 4.3% in May, April, and March.
- The **Labor Force Participation Rate** fell to 61.5% in June from 61.8 in May and April.
- The **Average Hourly Wage** rose 0.3% in June, up 3.5% YoY.
- **Job Openings** rose to 7,594,000 in May and 7,584,000 in April, up 3.9% YoY. (JOLTS for June will be released Aug 4)

Inflation Economic Data Released during July 2026
We got some good inflation news in July. CPI, PPI, and PCE all fell in June. The drop was almost exclusively due to lower Energy and Gasoline prices. Unfortunately, the good Inflation data will probably be short-lived. The re-escalation of the Iran War sent oil prices higher, which will increase Inflation for the next few months. The Fed predicts Inflation will settle in at 2.7% for 2026. I think that is overly optimistic. For now, inflation is running in the 3.5% to 4.0% range.

- **CPI** fell 0.4%, up 3.5% YoY | **Core CPI** unchanged, up 2.1% YoY
- **PPI** fell 0.3%, up 5.5% YoY | **Core PPI** rose 0.1%, up 5.1% YoY
- **PCE** fell 0.1%, up 3.7% YoY | **Core PCE** rose 0.1%, up 3.3% YoY

GDP Economic Data Released during July 2026
The 1st estimate of 2nd Quarter 2026 GDP indicated the US Economy grew at a 1.5% annual rate, below Economists' expectation of 2.0%. This is slower than 1Q2026 growth of 2.1%. What's keeping the Economy growing? Consumer Spending and Capital Investment. The high Capital Investment is mostly AI Data Centers. Ironically, AI investment and Data Center construction are very sensitive to Interest Rates. US Economic growth has become dependent on AI and Data Center construction in the last few years. Being overly dependent on a new and unproven sector is a precarious position.

- **US GDP** grew at a 1.5% annual rate in 2Q2026, up 2.1% YoY.
- **Durable Goods Orders** rose 0.3% in June, up 6.7% YoY.
- **Industrial Production** rose 0.1% in June, up 1.1% YoY.
- **Capacity Utilization** was unchanged at 76.1% in June from a revised 76.1% in May.

Consumer Economic Data Released during July 2026
Consumers continued to spend in June but at a slower pace. Retail Sales rose 0.2% in June compared to 0.9% in May. That slower number can be attributed to lower Gasoline prices. Consumer Spending is tabulated in dollars, not things. When adjusted for Inflation, "Real" Retail Sales hasn't increased that much.

- **Retail Sales** rose 0.2% in June, up 6.7% YoY.
- **Consumer Confidence Index** fell to 90.8 in July from a revised 92.2 in June and 90.6 in May.
- **Consumer Sentiment** (UofM) rose 12% to 55.2 in July from 49.5 in June and 44.8 in May, down 11.0% YoY.

Energy, International, and Things You May Have Missed
- **West Texas Intermediate Crude** rose to $85/Barrel (Jul 31) from $70/Barrel (Jun 30).
- **North Sea Brent Crude** rose to $91/Barrel (Jul 31) from $73/Barrel (Jun 30).
- **Gasoline** (Wholesale Futures) rose to $3.17/Gal (Jul 31) from $2.90/Gal (Jun 30).
- **Natural Gas** fell to $2.75/MMBtu (Jul 31) from $3.25/MMBtu (Jun 30).
- The ceasefire in the Iran War broke down, closing the Straight of Hormuz - again.
- Andy Burnham was elected as the new Prime Minister of England. This is the 5th Prime Minister in the last 5 years.