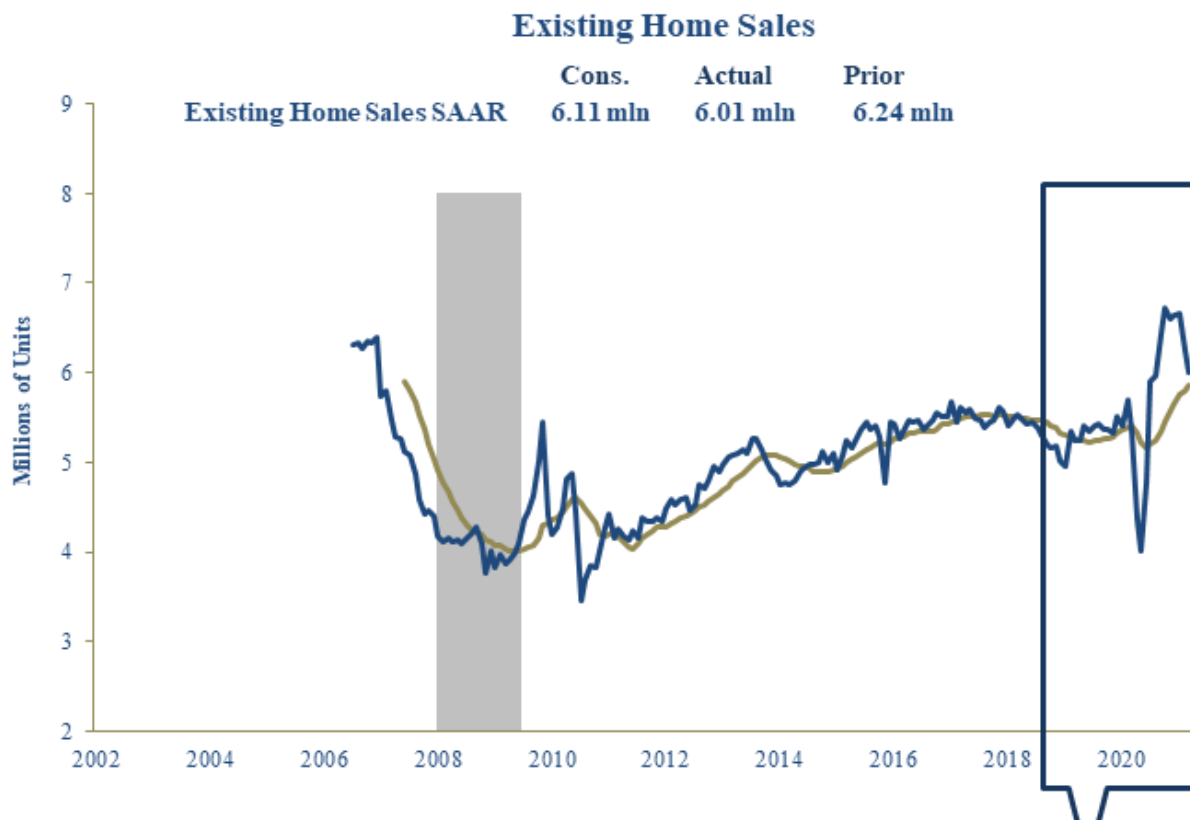
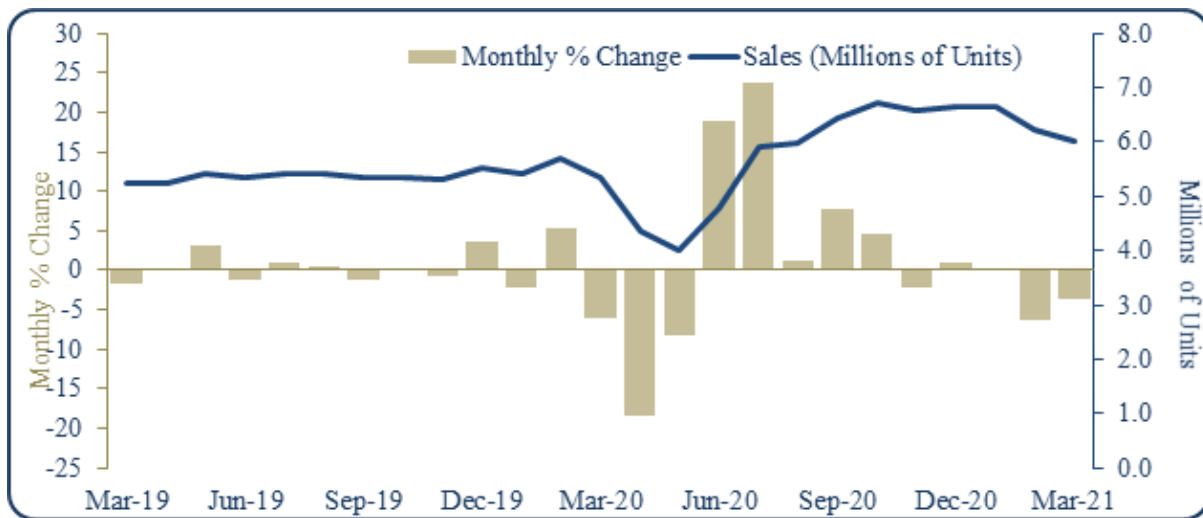


22.Apr.2021

Existing Home Sales: Slower Pace But Higher Prices

Bottom Line: Sales were lower than expected in March as the median home price hit a record high. Sales skewed towards higher-priced homes as inventories crept higher for the first time in several months but remained historically low. The months' supply, at 2.1 months, edged higher for the first time since last May. This figure is still roughly half its pre-pandemic average, suggesting the housing market remains very tight. Overall the trend remained historically strong if cooling just slightly due to lower affordability with higher prices and higher mortgage rates. Housing activity will remain an important driver of economic growth in the recovery as the underlying trends confirm a secular shift away from more dense, urban living towards single-family homes.





Existing Home Sales FELL by 3.7% in March to 6.01 million, compared with market expectations for a decline to 6.11 million. The prior month was revised up from 6.22 to 6.24 million. Home re-sales are now 12.3% ABOVE their year-ago level.

The Inventory of Homes Available for Sale ROSE by 3.9% to 1,070k but are still 28.2% BELOW their year-ago level. Because inventories increased while sales declined, the Months Supply ROSE to 2.1 months from 2.0 months. This is BELOW the 6-month level that is considered 'normal'.

Home Prices ROSE compared to their year-ago levels. Average home prices are 12.4% ABOVE their year-ago levels while median home prices are 17.2% ABOVE their year-ago levels.

Total Existing Home Sales



Median Existing Home Price



| | Monthly | | | | Average for | | | | | | |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Mar-21 | Feb-21 | Jan-21 | Dec-20 | Three Month | Six Month | Twelve Month | 2020 | 2019 | Five Year | Ten Year |
| Existing Home Sales (millions) | 6.01 | 6.24 | 6.66 | 6.65 | 6.30 | 6.48 | 5.86 | 6.65 | 5.51 | 5.65 | 5.29 |
| <i>prior report</i> | | 6.22 | 6.66 | 6.65 | | | | | | | |
| (percent change) | -3.7 | -6.3 | 0.2 | 0.9 | | | | | | | |
| (year-on-year percent change) | 12.3 | 9.5 | 23.1 | 20.7 | | | | 20.7 | 10.0 | | |
| Inventory (thousands) | 1,070 | 1,030 | 1,030 | 1,060 | 1,043 | 1,148 | 1,324 | 1,060 | 1,390 | 1,418 | 1,672 |
| (percent change) | 3.9 | 0.0 | -2.8 | -17.2 | | | | | | | |
| (year-on-year percent change) | -28.2 | -29.5 | -26.4 | -23.7 | | | | -23.7 | -9.2 | | |
| Months' Supply | 2.14 | 1.98 | 1.9 | 1.9 | 2.0 | 2.1 | 2.8 | 1.9 | 3.0 | 3.1 | 3.9 |
| Average Sales Price (\$000) | 355.2 | 342.1 | 337.8 | 342.0 | 345.0 | 344.1 | 338.0 | 342.0 | 311.0 | 302.0 | 271.8 |
| (year-on-year percent change) | 12.4 | 11.9 | 11.5 | 10.0 | | | | 10.0 | 5.9 | | |
| Median Sales Price (\$000) | 329.1 | 310.7 | 303.6 | 309.2 | 314.5 | 312.7 | 305.7 | 309.2 | 274.5 | 263.6 | 229.0 |
| (year-on-year percent change) | 17.2 | 14.9 | 14.0 | 12.6 | | | | 12.6 | 7.8 | | |

Source: National Association of Realtors via Bloomberg. Our calculations.

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T.J. Connelly, Head of Research

April 22, 2021

Steven A. Wood, Senior Economic Adviser

Single-Family Existing Home Sales:

SINGLE-FAMILY EXISTING

| | Monthly | | | | Average for | | | | | | |
|---------------------------------------|---------|--------|--------|--------|-------------|-----------|--------------|-------|-------|-----------|----------|
| | Mar-21 | Feb-21 | Jan-21 | Dec-20 | Three Month | Six Month | Twelve Month | 2020 | 2019 | Five Year | Ten Year |
| Single Family Home Sales (Mil) | 5.30 | 5.54 | 5.91 | 5.92 | 5.58 | 5.76 | 5.24 | 4.75 | 4.74 | 4.79 | 4.53 |
| (percent change) | -4.3 | -6.3 | -0.2 | 0.7 | | | | | | | |
| (year-on-year percent change) | 10.4 | 8.4 | 22.6 | 20.6 | | | | 0.3 | 0.0 | | |
| Inventory (thousands) | 900 | 870 | 870 | 880 | 880 | 967 | 1,133 | 880 | 1,210 | 1,234 | 1,464 |
| (percent change) | 3.4 | 0.0 | -1.1 | -18.5 | | | | | | | |
| (year-on-year percent change) | -31.3 | -32.6 | -29.8 | -27.3 | | | | -27.3 | -9.7 | | |
| Months' Supply | 2.0 | 1.9 | 1.8 | 1.8 | 1.9 | 2.0 | 2.7 | 2.2 | 3.1 | 3.1 | 4.0 |
| Average Sales Price (\$000) | 358.8 | 345.3 | 341.3 | 345.4 | 348.5 | 347.6 | 341.0 | 308.2 | 297.6 | 293.4 | 266.7 |
| (year-on-year percent change) | 13.2 | 12.5 | 12.3 | 10.6 | | | | 3.6 | 0.0 | | |
| Median Sales Price (\$000) | 334.5 | 315.1 | 308.0 | 313.7 | 319.2 | 317.5 | 309.9 | 272.3 | 259.5 | 254.5 | 223.8 |
| (year-on-year percent change) | 18.4 | 15.5 | 14.7 | 13.2 | | | | 5.0 | 0.0 | | |

Source: National Association of Realtors via Bloomberg. Our calculations.

