

*21.Jun.2022*

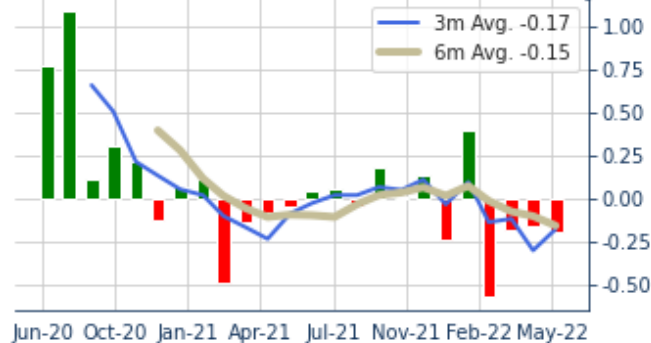
**Existing Home Sales: Further Sharp Declines**

**Bottom Line:** Existing home sales fell in May, as expected, dropping nearly 200k annualized units, continuing a trend amid sharply higher mortgage rates. While historically still low, inventories rose again and stood at 2.6 months of sales, up from 1.6 months at the start of the year. Average and median home prices were sharply higher again as higher-end buyers could still afford homes averaging over \$400k even with higher mortgage rates. Finally, we should keep in mind that existing home sales are based on closings, and thus, these May data are lagged. Since this tally, mortgage purchase applications have fallen even further, suggesting that June and July sales will likely prove even lower.

## Existing Home Sales Total May: +5.4, consensus: +5.4



Contingent Macro Advisors 2022 source: National Association of Realtors via Bloomberg LP

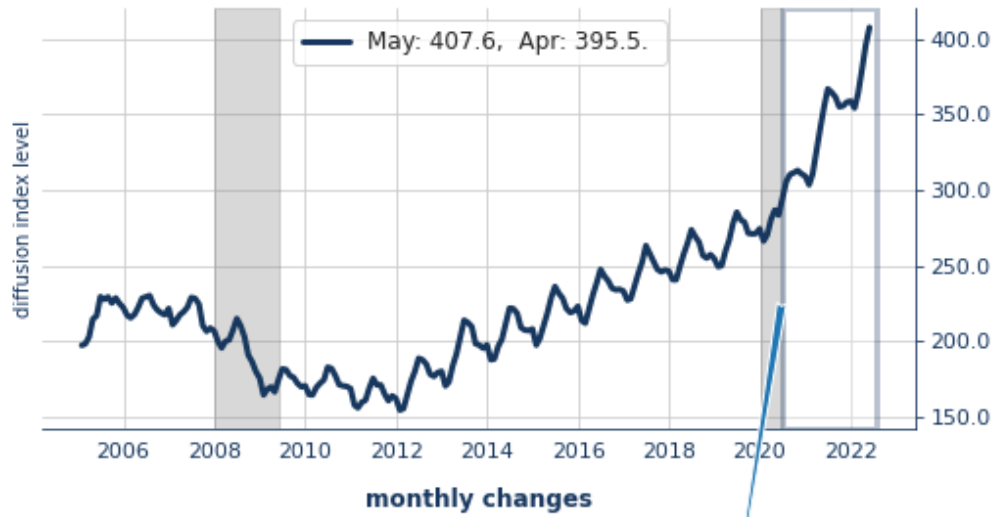


**Existing Home Sales** FELL by 3.4% in May to 5.41 million, compared with market expectations for a decline to 5.40 million. The prior month was revised down from 5.61 to 5.60 million. Home re-sales are now 8.6% BELOW their year-ago level.

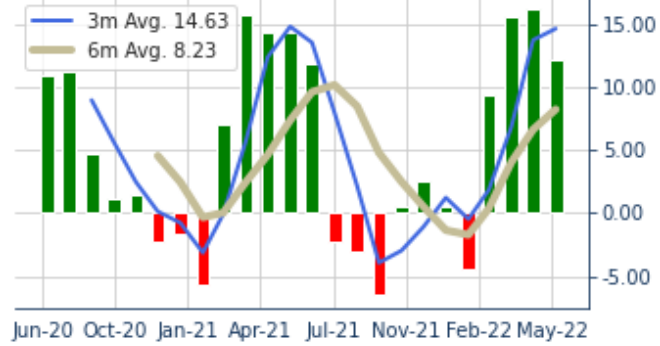
**The Inventory of Homes Available for Sale** ROSE by 12.6% to 1,160k but are still 4.1% BELOW their year-ago level. Because inventories increased while sales declined, the Months Supply ROSE to 2.6 months from 2.2 months. This is BELOW the 6-month level that is considered 'normal'.

**Home Prices** ROSE compared to their year-ago levels. Average home prices are 8.9% ABOVE their year-ago levels while median home prices are 14.8% ABOVE their year-ago levels.

## Existing Home Sales Median Price Nationwide



Contingent Macro Advisors 2022 source: National Association of Realtors via Bloomberg LP

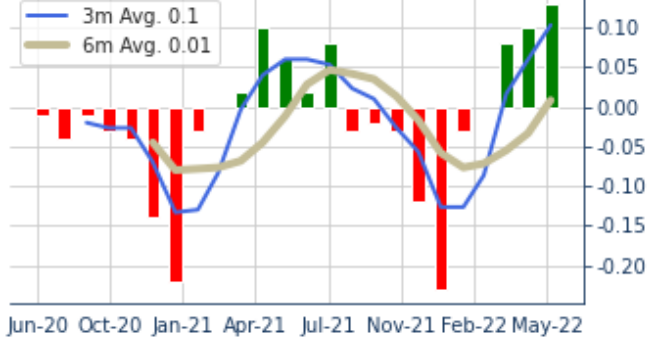


# Existing Home Sales Inventory

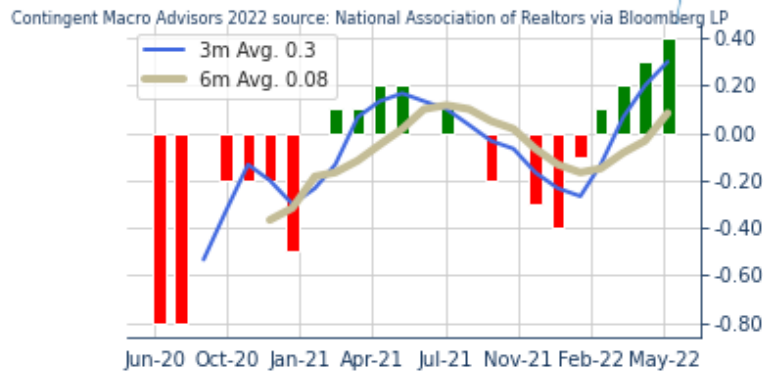


## monthly changes

Contingent Macro Advisors 2022 source: National Association of Realtors via Bloomberg LP



## Existing Home Sales Month Supply



	Monthly				Average for						
	May-22	Apr-22	Mar-22	Feb-22	Three Month	Six Month	Twelve Month	2020	2019	Five Year	Ten Year
<b>Existing Home Sales (millions)</b>	5.41	5.60	5.75	5.93	5.59	5.88	6.00	6.53	5.45	5.62	5.27
<i>prior report</i>		5.61	5.75	5.93							
(percent change)	-3.4	-2.6	-3.0	-8.6							
(year-on-year percent change)	-8.6	-6.0	-4.8	-3.9				19.8	8.8		
<b>Inventory (thousands)</b>	1,160	1,030	930	850	1,040	950	1,093	1,060	1,390	1,418	1,672
(percent change)	12.6	10.8	9.4	0.0							
(year-on-year percent change)	-4.1	-10.4	-11.4	-17.5				-23.7	-9.2		
<b>Months' Supply</b>	2.57	2.21	1.9	1.7	2.2	2.0	2.2	1.9	3.1	3.1	3.9
<b>Average Sales Price (\$000)</b>	405.0	397.6	386.5	374.2	396.4	384.2	379.8	342.0	311.0	302.0	271.8
(year-on-year percent change)	8.9	9.2	9.5	9.4				10.0	5.9		
<b>Median Sales Price (\$000)</b>	407.6	395.5	379.3	363.7	394.1	376.5	368.4	309.2	274.5	263.6	229.0
(year-on-year percent change)	14.8	16.1	16.2	17.1				12.6	7.8		

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

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