

23.May.2023

New Home Sales: Slow Steady Rebound

Bottom Line: New home sales rose sharply in April, but there were negative revisions to March data that countered the positive surprise. Builders continue to work off inventory, which rose much less than sales, leaving months' supply lower again. Median home prices fell again and remain in a downtrend as the composition of inventory continues to skew towards modestly lower-priced homes and builders continue to discount inventories. Overall, we continue to see signs of a slow bottoming in new home sales, with all the hallmarks of fewer imbalances and a market finding a new equilibrium.

US New Home Sales

April: 683k +27k, consensus: +665k



Contingent Macro Advisors 2023 source: US Census Bureau

New Home Sales - Inventory - 500 - 300 Inventory 000s of units annualized last 12 months Apr-2023: 433.0 3m Avg. 433.67 6m Avg. 441.0 Jun-22 Jul-22 Sep-22 Nov-22 Dec-22 Feb-23 Apr-23

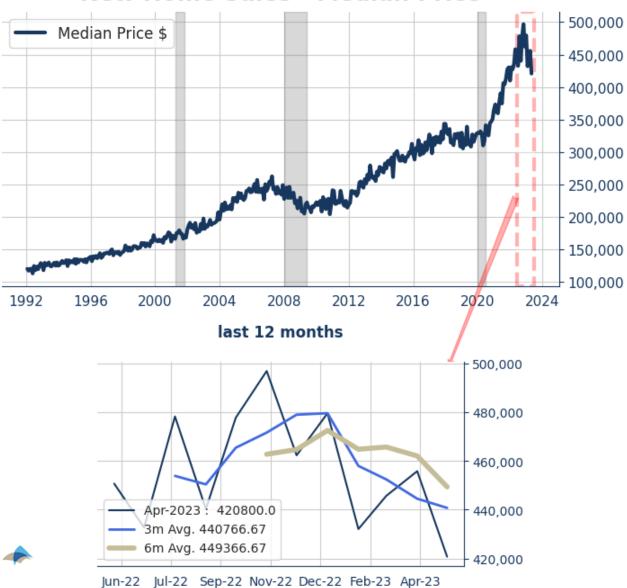
Contingent Macro Advisors 2023 source: US Census Bureau

New Home Sales - Months Supply Months Supply (inventory/sales) 12 10 8



Contingent Macro Advisors 2023 source: US Census Bureau

New Home Sales - Median Price



Contingent Macro Advisors 2023 source: US Census Bureau

Contingent in										
US New Home Sales	Apr- 2023	Mar- 2023	Feb- 2023	Jan- 2023	3-mo. Avg.	6-mo. Avg.	12-mo. Avg.	2022 Avg.	2021 Avg.	60-mo Avg.
New Home Sales	683.0	656.0	631.0	649.0	656.7	639.5	613.4	636.9	769.2	709.1
New Home Sales - % Chg.	4.1	4.0	-2.8	2.0						
Inventory	433.0	432.0	436.0	439.0	433.7	441.0	448.3	439.8	349.2	356.6
Inventory - % Chg.	0.2	-0.9	-0.7	-2.7						
Months Supply	7.6	7.9	8.3	8.1	7.9	8.3	8.8	8.5	5.5	6.3
Months Supply Chg.	-0.3	-0.4	0.2	-0.4						
Median Price in \$k	420.8	455.8	445.7	432.1	440.8	449.4	456.0	455.8	394.0	372.9
Median Price - %										

Chg.	-7.7	2.3	3.1	-9.9						
Avg. Price in \$k	501.0	559.2	512.9	495.6	524.4	527.5	527.3	529.7	452.8	434.1
Avg. Price - % Chg.	-10.4	9.0	3.5	-12.9						

souce: Census Bureau