

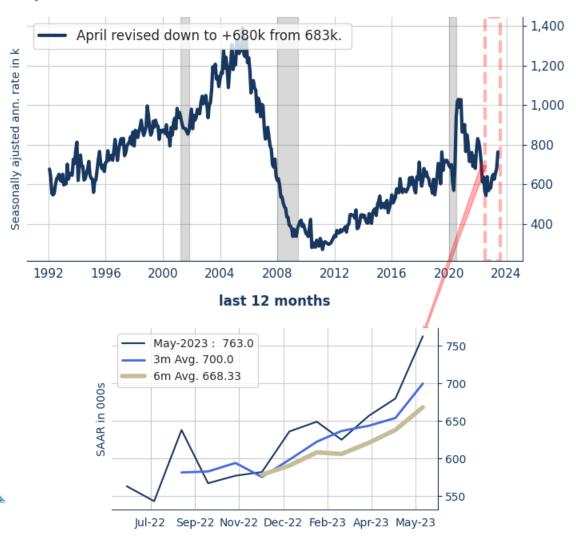
27.Jun.2023

### **New Home Sales: Surprise Bounce**

**Bottom Line:** New home sales rose sharply more than expected in May. The tight supply conditions continued, driving median prices higher. Mortgage rates dipped, holding consistently below 7% for all of May, motivating sidelined buyers worried about high mortgage payments to get back into the market. Months' supply fell to just 6.7 months with the stronger demand and lower inventory. Overall, the signs of bottoming in housing have turned into a full-fledged bottom as long as mortgage rates don't see another wave higher.

### **US New Home Sales**

May: 763k +83k, consensus: +675k



Contingent Macro Advisors 2023 source: US Census Bureau

# **New Home Sales - Inventory** - 500 - 400 - 300 200 Inventory 000s of units annualized 2020 1992 1996 2000 2004 2008 2012 2016 2024 last 12 months 460 450 440 - May-2023: 428.0 3m Avg. 430.33 6m Avg. 436.33 430 Jul-22 Sep-22 Nov-22 Dec-22 Feb-23 Apr-23 May-23

Contingent Macro Advisors 2023 source: US Census Bureau

## **New Home Sales - Months Supply** Months Supply (inventory/sales) 12 - 10 8 6 4 1992 1996 2000 2004 2008 2012 2016 2020 2024 last 12 months 10.00 9.50 9.00 8.50 8.00



7.50

7.00

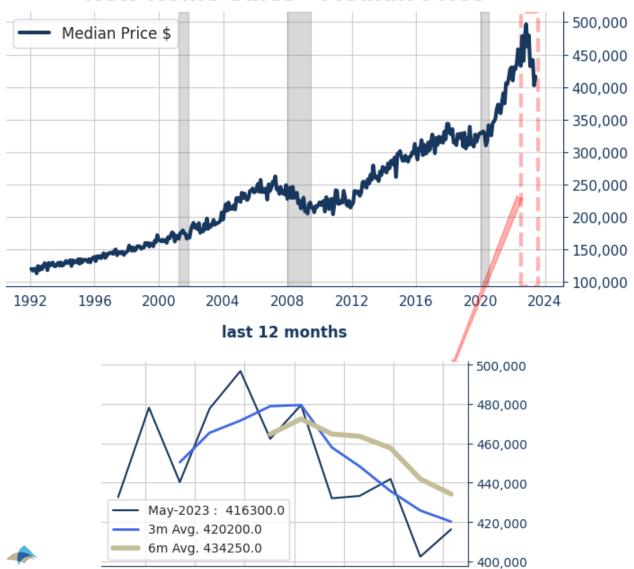
Contingent Macro Advisors 2023 source: US Census Bureau

- May-2023 : 6.7

3m Avg. 7.4

6m Avg. 7.87

## **New Home Sales - Median Price**



Jul-22 Sep-22 Nov-22 Dec-22 Feb-23 Apr-23 May-23

#### Contingent Macro Advisors 2023 source: US Census Bureau

US New Home Sales	May- 2023	Apr- 2023	Mar- 2023	Feb- 2023	3-mo. Avg.	6-mo. Avg.	12-mo. Avg.	2022 Avg.	2021 Avg.	60-mo Avg.
New Home Sales	763.0	680.0	657.0	625.0	700.0	668.3	623.3	636.9	769.2	710.7
New Home Sales - % Chg.	12.2	3.5	5.1	-3.7						
Inventory	428.0	432.0	431.0	437.0	430.3	436.3	447.2	439.8	349.2	358.7
Inventory - % Chg.	-0.9	0.2	-1.4	-0.5						
Months Supply	6.7	7.6	7.9	8.4	7.4	7.9	8.7	8.5	5.5	6.3
Months Supply Chg.	-0.9	-0.3	-0.5	0.3						
Median Price in \$k	416.3	402.4	441.9	433.3	420.2	434.3	449.5	455.8	394.0	373.8
Median Price - %										

Chg.	3.5	-8.9	2.0	0.3						
Avg. Price in \$k	487.3	495.6	516.0	499.1	499.6	510.4	519.2	529.7	452.8	435.0
Avg. Price - % Chg.	-1.7	-4.0	3.4	0.7						

source: Census Bureau