

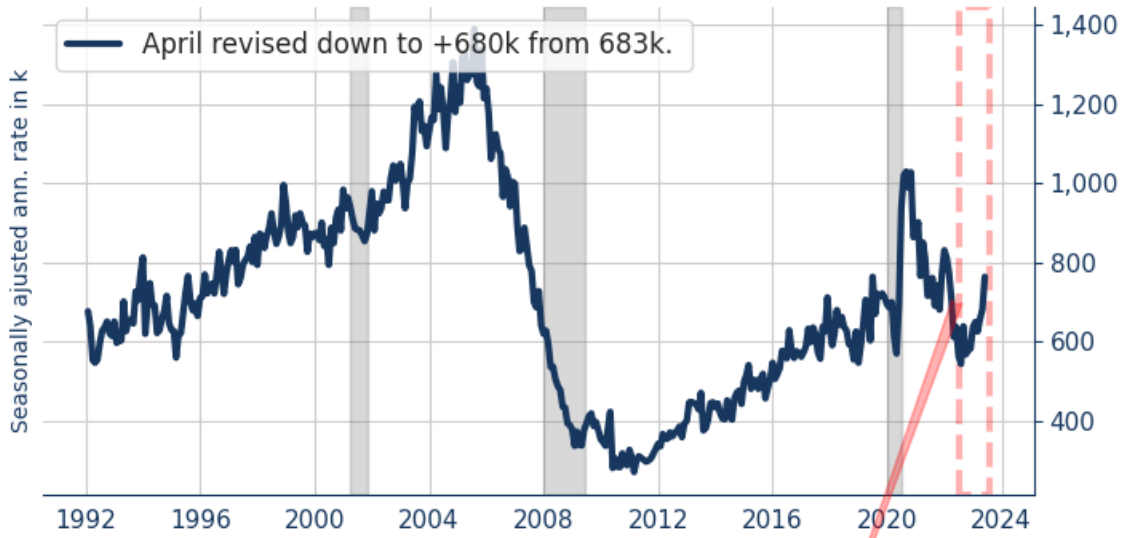
27.Jun.2023

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

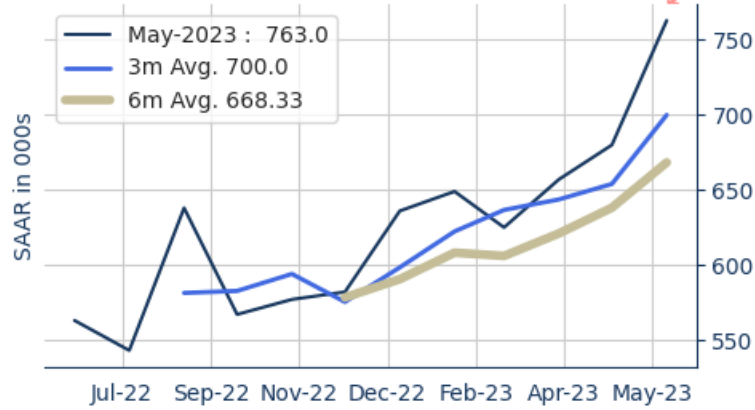
**Bottom Line:** New home sales rose sharply more than expected in May. The tight supply conditions continued, driving median prices higher. Mortgage rates dipped, holding consistently below 7% for all of May, motivating sidelined buyers worried about high mortgage payments to get back into the market. 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

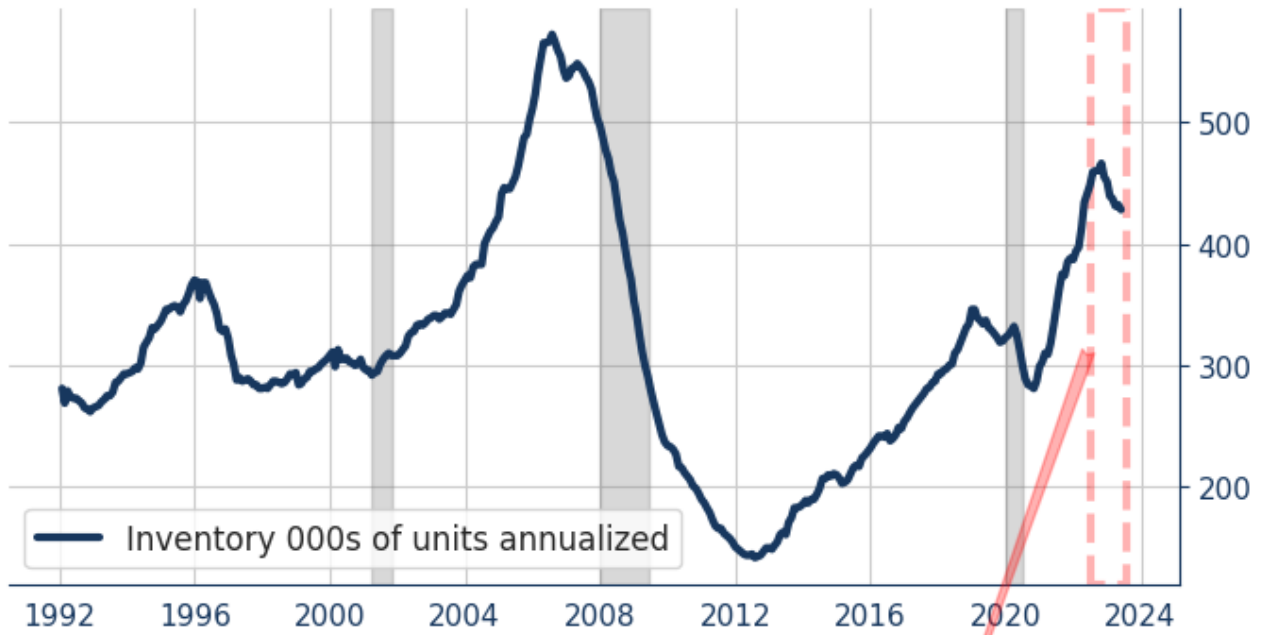


last 12 months

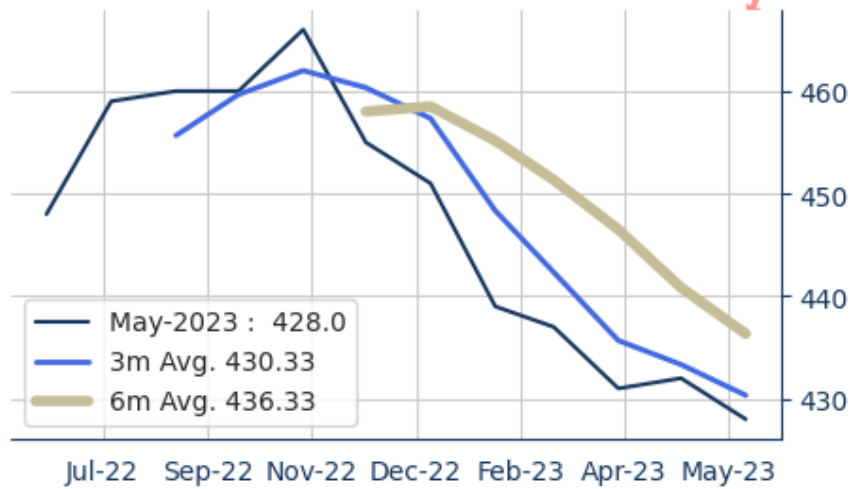


Contingent Macro Advisors 2023 source: US Census Bureau

# New Home Sales - Inventory



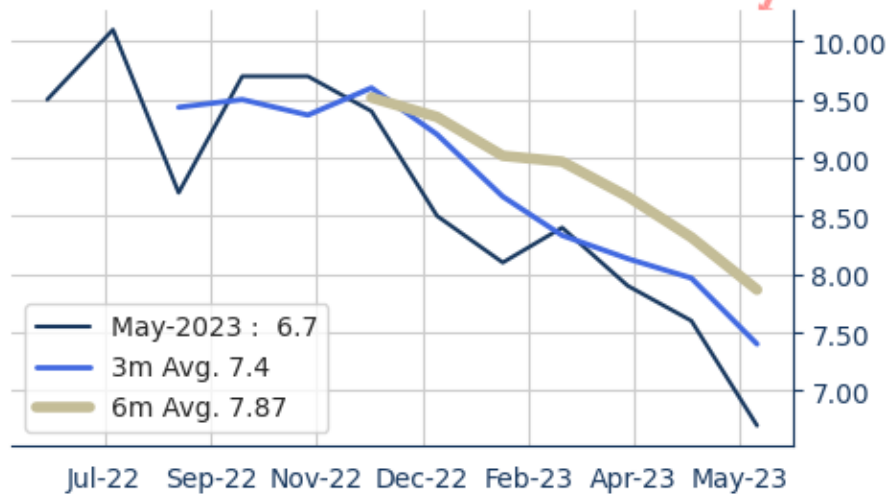
last 12 months



# New Home Sales - Months Supply



last 12 months





|                     |       |       |       |       |       |       |       |       |       |       |
|---------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 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