

16.Aug.2023

Housing Starts: Recovery In Jeopardy

Bottom Line: Housing starts rose moderately in July but were only higher after negative revisions to June data. Starts were still trending modestly higher through July, but the upward trend was losing some momentum amid another push higher in mortgage rates. Since these data were collected, rates have moved even higher. Looking forward, building permits were nearly unchanged, as declines in multi-family permits fell almost as much as the single-family rose.

Overall, housing starts had been looking like they would make a quick swing from bottoming to a full rebound. But that notion is in jeopardy now. While there is structural, demographic-led demand for housing, developers appear worried that potential buyers will be hampered by higher mortgage rates.

Total US Housing Starts

July: 1.45M +54k consensus: +1.45M



Contingent Macro Advisors 2023 source: US Census Bureau

Total US Annualized Housing Starts ROSE 54k to 1.45M, BELOW the 3-Month average of 1.48M, ABOVE the 6-Month average of 1.43M but 81k ABOVE the year-ago level.

Single-Family Starts ROSE 62k to 983k, ABOVE the 3-Month average of 972k, ABOVE the 6-Month average of 906.83k and 85k ABOVE the year-ago level.

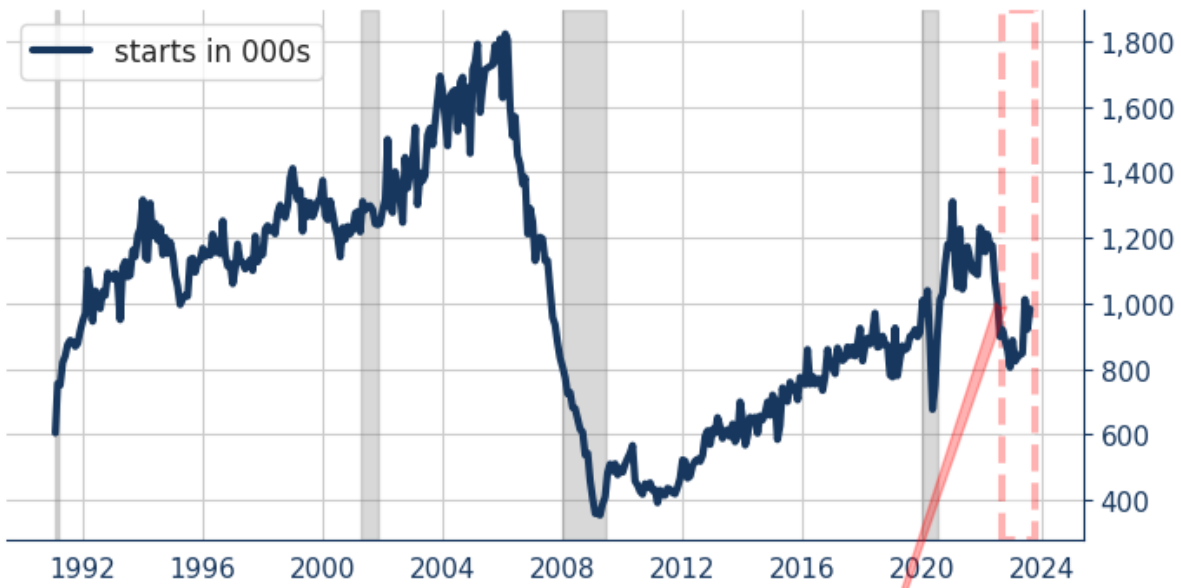
Multi-Family Starts were unchanged at 460k, BELOW the 3-Month average of 494.33k, BELOW the 6-Month average of 512.5k, nearly in-line with year-ago level.

Total Building Permits were nearly unchanged, UP 1k to 1.44M, BELOW the 3-

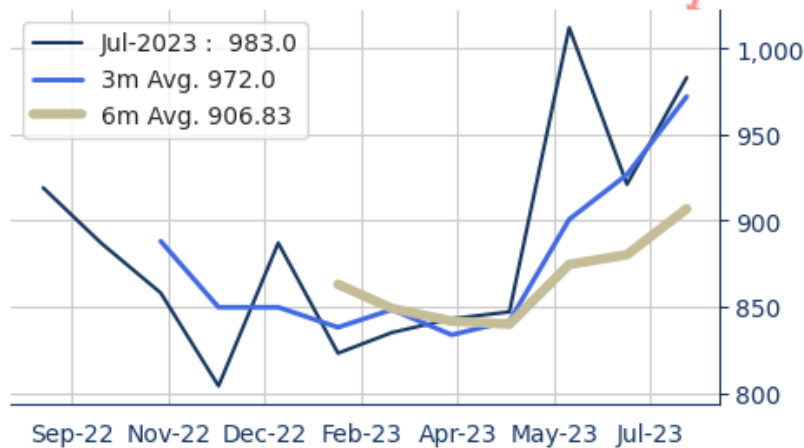
Month average of 1.46M, BELOW the 6-Month average of 1.45M, and 216k BELOW the year-ago level.

- Single-Family Permits ROSE 6k to 930k, ABOVE the 3-Month average of 918.67k, ABOVE the 6-Month average of 872.83k and 12k ABOVE the year-ago level.
- Multi-Family Permits: Two-Four Unit FELL 4k to 48k, BELOW the 3-Month average of 51.33k, BELOW the 6-Month average of 52k and 8k BELOW the year-ago level.
- Multi-Family Permits: 5+ Units were nearly unchanged, DOWN 1k to 464k, BELOW the 3-Month average of 489.67k, BELOW the 6-Month average of 527.67k, and 220k BELOW the year-ago level.

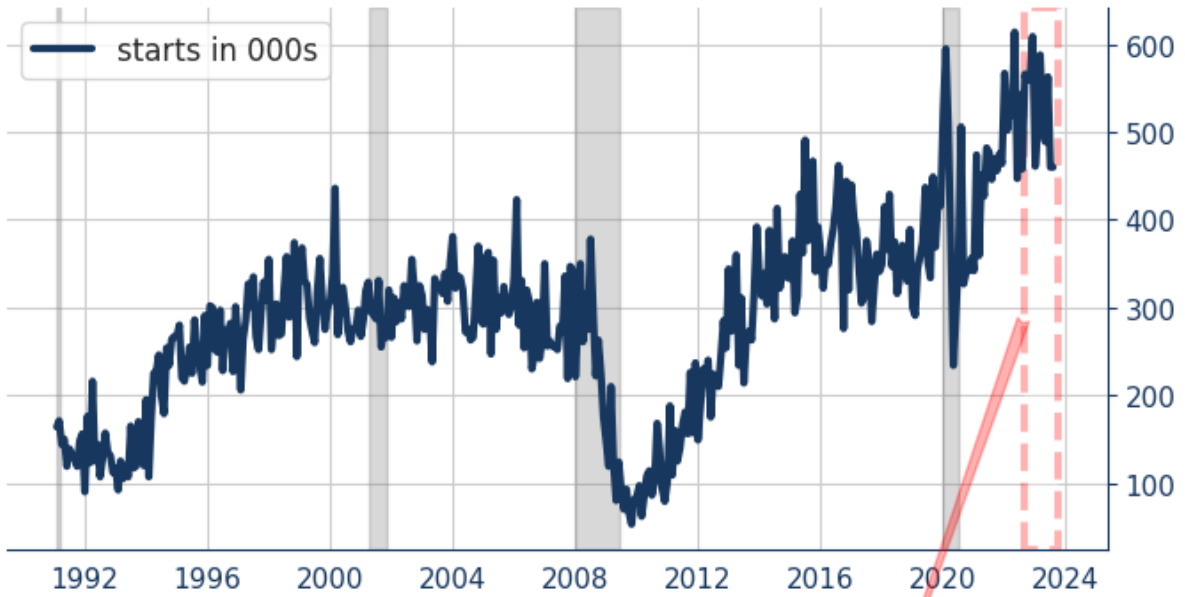
Single-Family Housing Starts



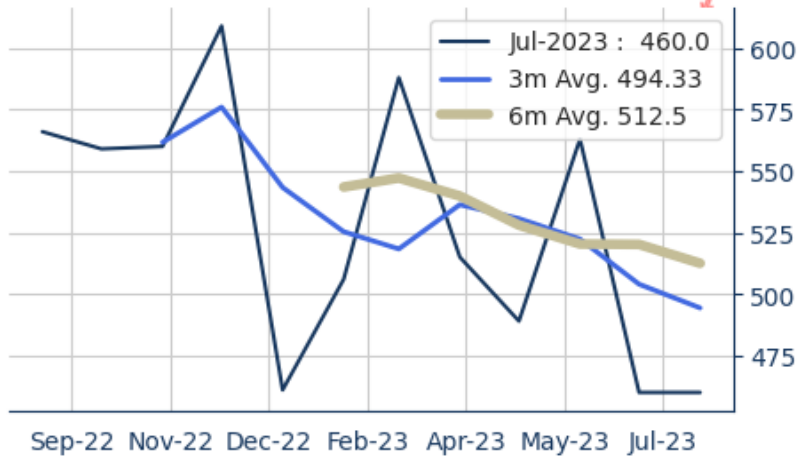
last 12 months



Multi-Family Housing Starts



last 12 months



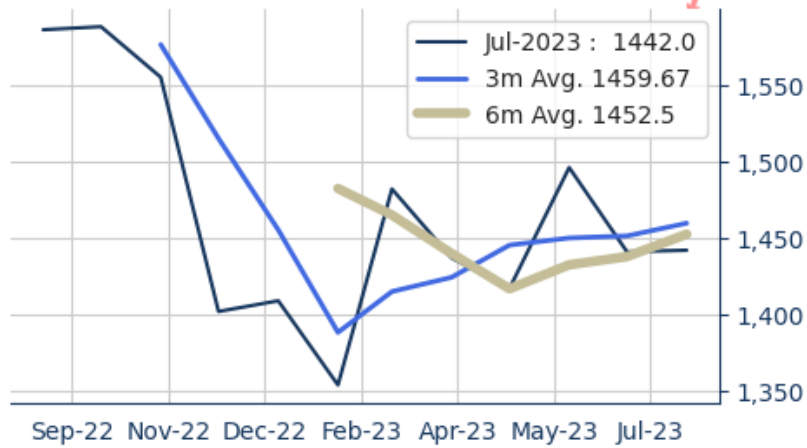
Total US Building Permits

July: 1.44M +1k

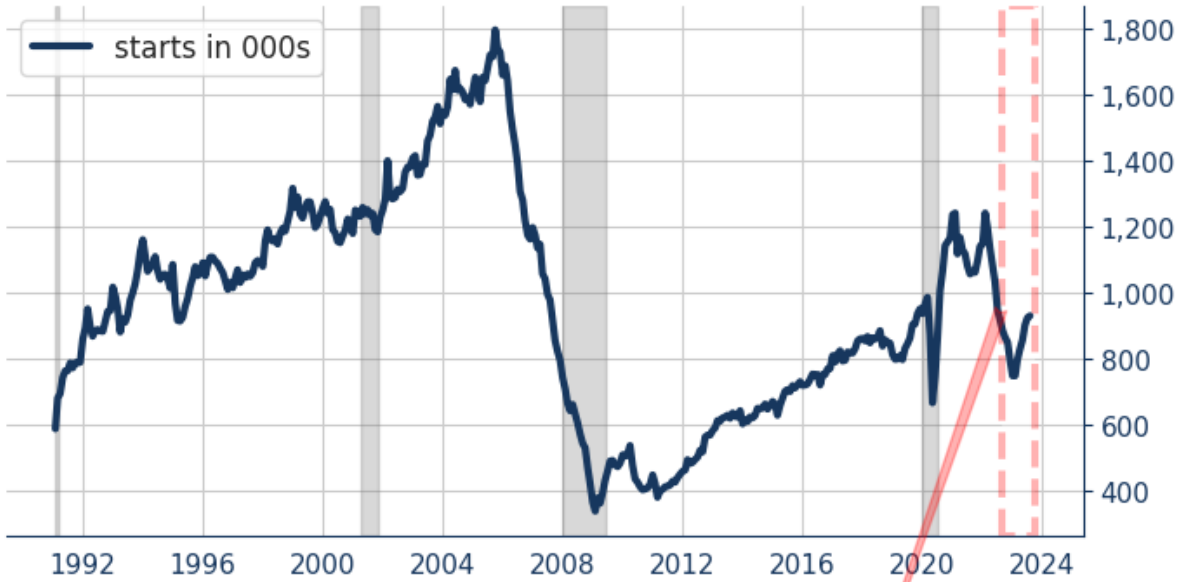
consensus: +1.46M



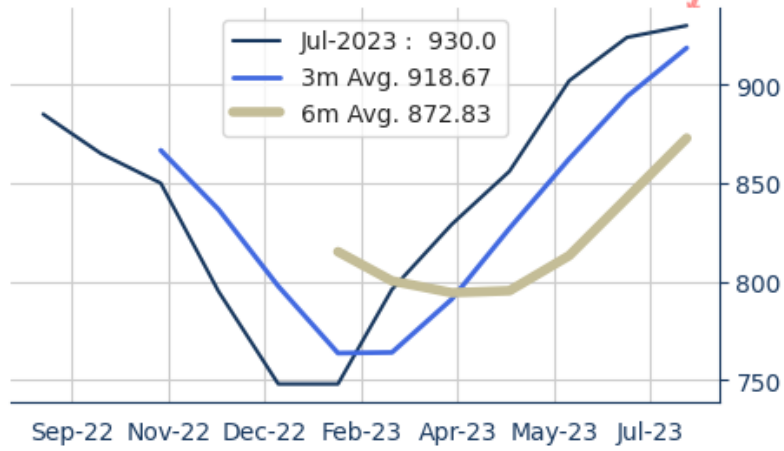
last 12 months



Single-Family Building Permits

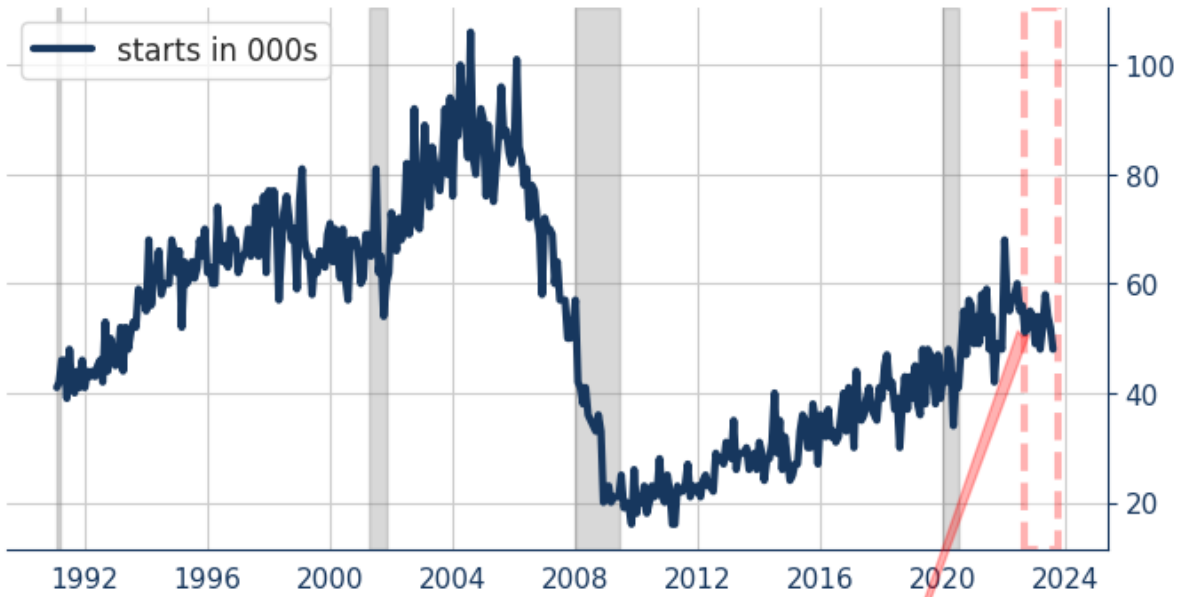


last 12 months

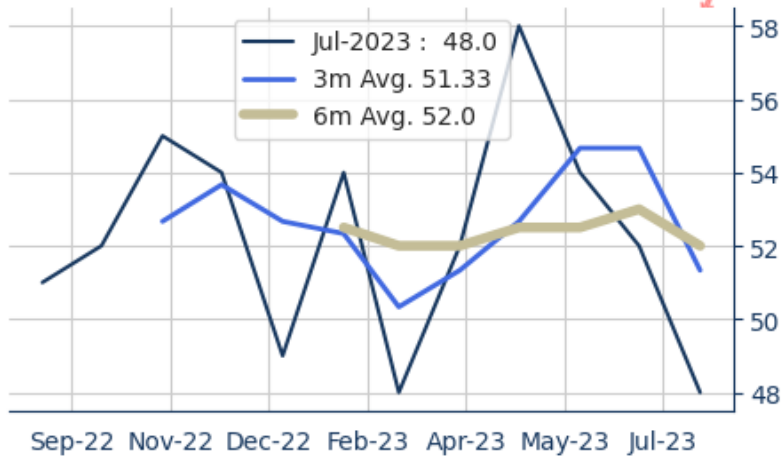


Contingent Macro Advisors 2023 source: US Census Bureau

Multi-Family 2-4 Unit Building Permits

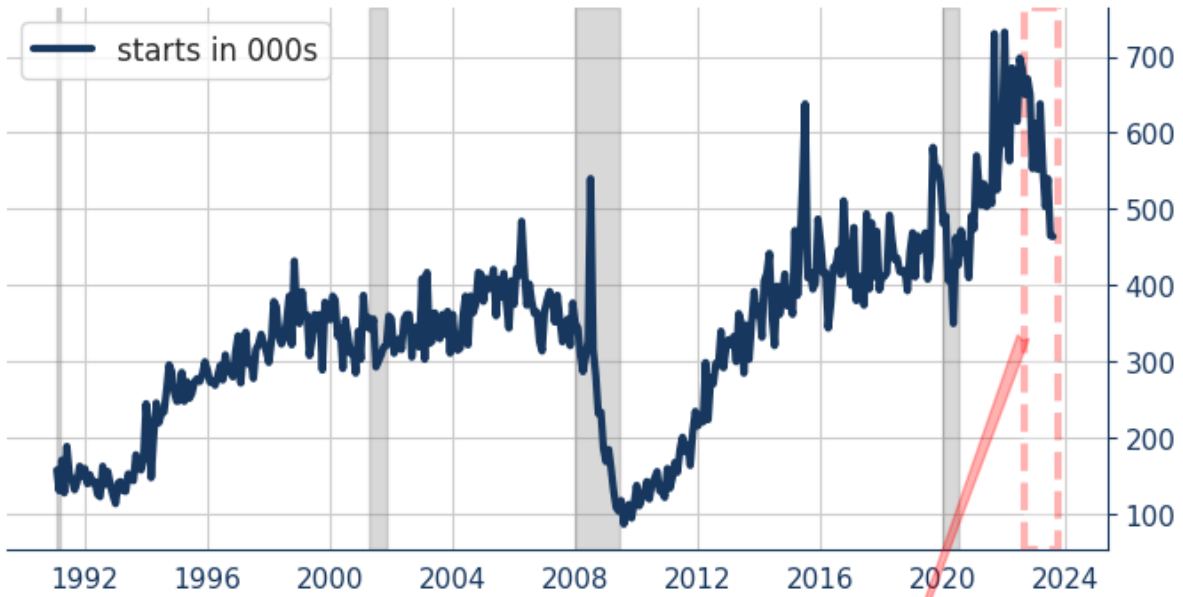


last 12 months

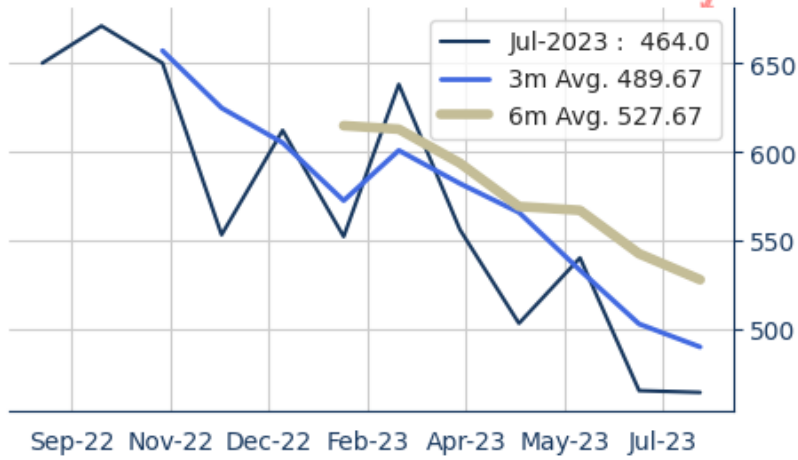


Contingent Macro Advisors 2023 source: US Census Bureau

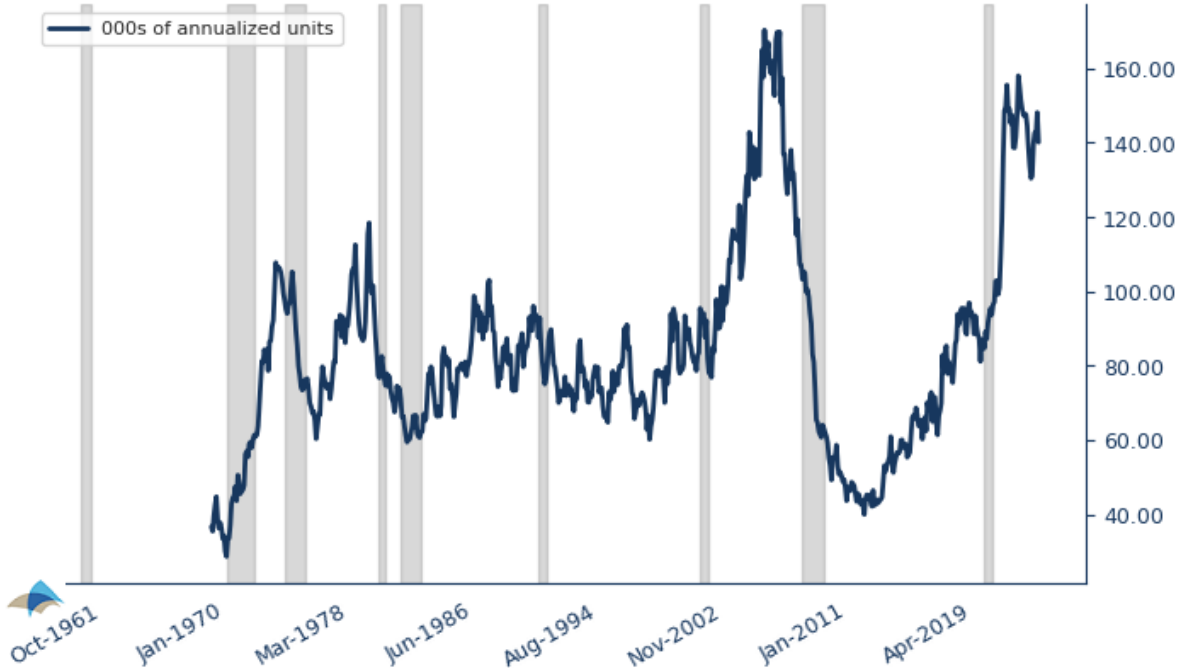
Multi-Family 5+ Unit Building Permits



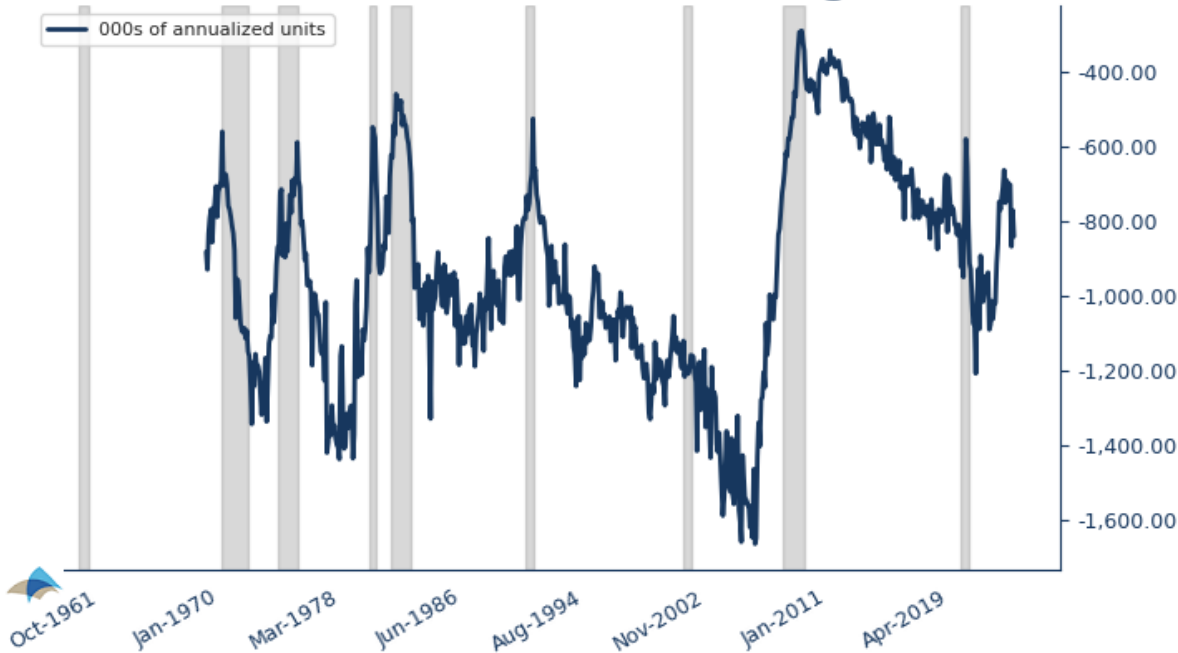
last 12 months



Single-Family Permits Authorized Not Started



Authorized Permits less Housing Starts



US Housing Starts	Jul-23	Jun-23	May-23	Apr-23	3m. avg.	6m. avg.	12m. avg.	2022	2021	5y
Total Housing Starts	1452	1398	1583	1348	1478	1433	1427	1551	1606	1435
Single-Family Housing Starts	983	921	1012	847	972	907	885	1004	1132	980
Multi-Family Housing Starts	460	460	563	489	494	512	528	530	462	442
NE Total Housing Starts	102	101	96	124	100	119	129	143	137	125

NE Single-Family Housing Starts	57	59	61	58	59	62	66	64	68	63
Midwest Total Housing Starts	178	162	260	175	200	182	184	206	218	191
Midwest Single-Family Housing Starts	126	112	139	92	126	112	111	130	150	130
South Total Housing Starts	789	799	880	745	823	805	783	833	849	768
South Single-Family Housing Starts	543	550	617	502	570	544	526	580	645	557
West Total Housing Starts	383	336	347	304	355	326	330	370	401	351
West Single-Family Housing Starts	257	200	195	195	217	190	182	231	268	230

annualized monthly in thousands of units