



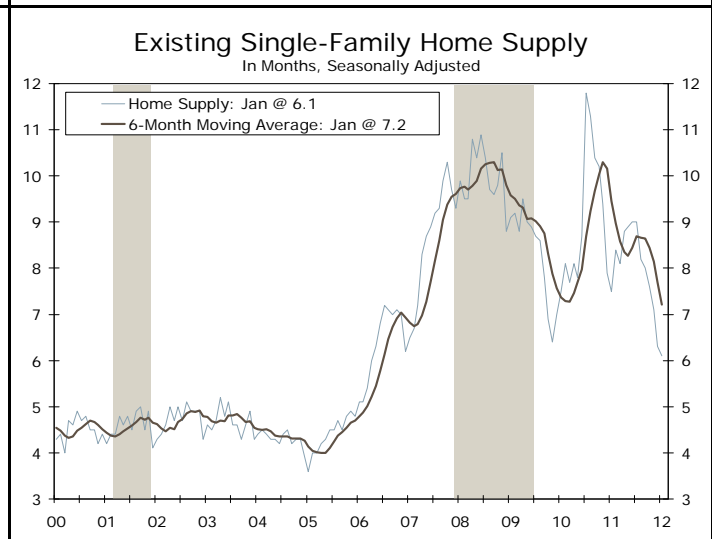
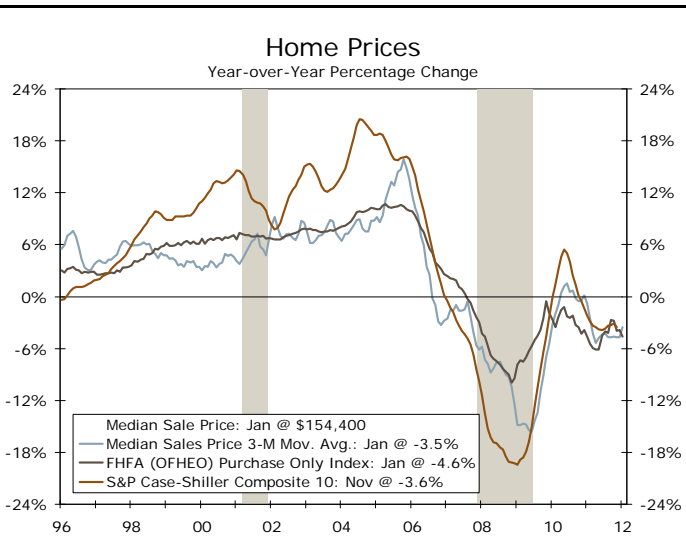
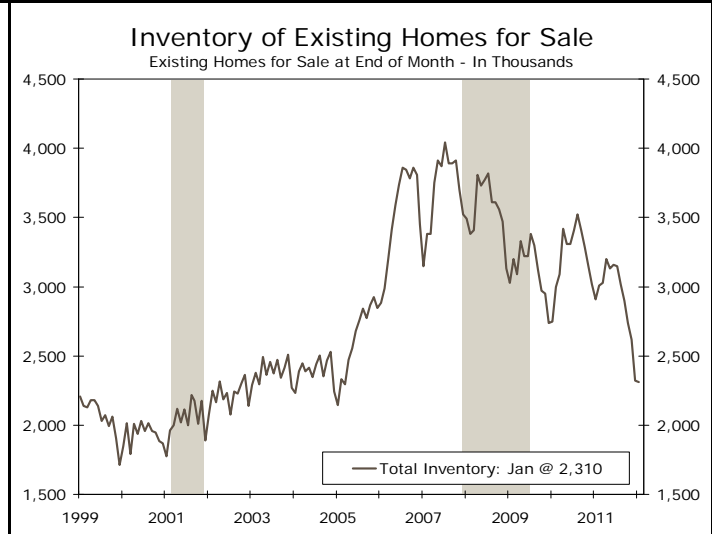
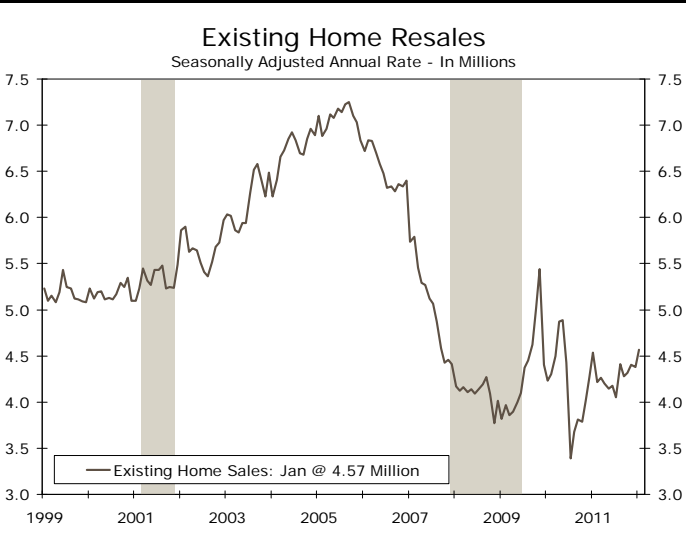
# Economics Group

**Mark Vitner, Senior Economist**  
[mark.vitner@wellsfargo.com](mailto:mark.vitner@wellsfargo.com) • (704) 383-5635  
**Michael A. Brown, Economist**  
[michael.a.brown@wellsfargo.com](mailto:michael.a.brown@wellsfargo.com) • (704) 715-0569

## Existing Home Sales Continue to Pick Up

**Existing home sales continued to climb in January, rising 4.3 percent after a downwardly revised 0.5 percent drop in December. The unseasonably warm weather in January likely helped to boost sales for the month.**

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| <p><b>Existing Home Sales Remain Strong</b></p> <ul style="list-style-type: none"> <li>• With this morning's release of the revised existing home sales data, December sales figures posted a 0.5 percent decline, while January sales bounced back a strong 4.3 percent.</li> <li>• Regionally, existing home sales were up in all regions with the Midwest continuing to lag other areas in the pace of improvement. The West posted the largest monthly improvement with sales rising 8.8 percent on the month.</li> </ul> | <p><b>Inventory Levels Continue to Fall</b></p> <ul style="list-style-type: none"> <li>• Inventories of existing homes continued to fall in January, declining 0.4 percent. The month's supply of existing homes now stands at 6.1 months, down from December's 6.4 months. We are skeptical that this trend will continue in the months ahead due to the wave of foreclosure activity that will likely begin following the end to the moratorium on foreclosure activity around the country.</li> </ul> |
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Source: FHFA, S&P Case-Shiller, National Association of Realtors and Wells Fargo Securities, LLC

## Wells Fargo Securities, LLC Economics Group

Diane Schumaker-Krieg	Global Head of Research & Economics	(704) 715-8437 (212) 214-5070	diane.schumaker@wellsfargo.com
John E. Silvia, Ph.D.	Chief Economist	(704) 374-7034	john.silvia@wellsfargo.com
Mark Vitner	Senior Economist	(704) 383-5635	mark.vitner@wellsfargo.com
Jay Bryson, Ph.D.	Global Economist	(704) 383-3518	jay.bryson@wellsfargo.com
Scott Anderson, Ph.D.	Senior Economist	(612) 667-9281	scott.a.anderson@wellsfargo.com
Eugenio Aleman, Ph.D.	Senior Economist	(704) 715-0314	eugenio.j.aleman@wellsfargo.com
Sam Bullard	Senior Economist	(704) 383-7372	sam.bullard@wellsfargo.com
Anika Khan	Economist	(704) 715-0575	anika.khan@wellsfargo.com
Azhar Iqbal	Econometrician	(704) 383-6805	azhar.iqbal@wellsfargo.com
Ed Kashmarek	Economist	(612) 667-0479	ed.kashmarek@wellsfargo.com
Tim Quinlan	Economist	(704) 374-4407	tim.quinlan@wellsfargo.com
Michael A. Brown	Economist	(704) 715-0569	michael.a.brown@wellsfargo.com
Joe Seydl	Economic Analyst	(704) 715-1488	joseph.seydl@wellsfargo.com
Sarah Watt	Economic Analyst	(704) 374-7142	sarah.watt@wellsfargo.com
Kaylyn Swankoski	Economic Analyst	(704) 715-0526	kaylyn.swankoski@wellsfargo.com

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