

Economics Group

Mark Vitner, Senior Economist
mark.vitner@wellsfargo.com • (704) 410-3277
 Anika Khan, Senior Economist
anika.khan@wellsfargo.com • (704) 410-3271

Pending Home Sales Rise in November

The pending home sales index rose 0.8 percent in November to 104.8, which is slightly above its average for the past six months. Pending sales rose in the South, Northeast and West but fell slightly in the Midwest.

Stronger Pending Home Sales

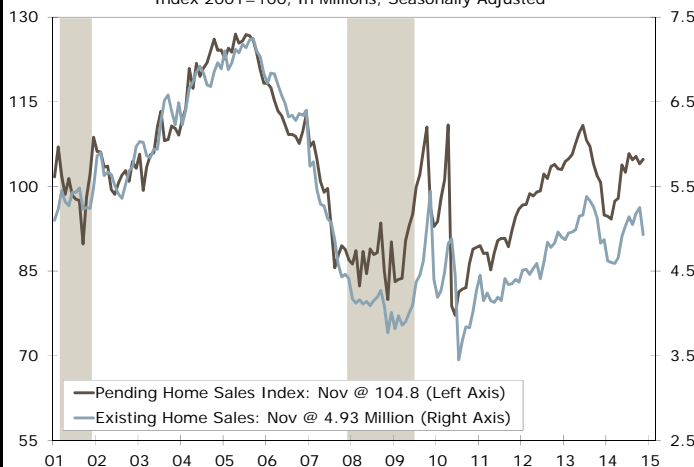
- Pending home sales rose solidly in November, with the overall index rising 0.8 percent to 104.8. The pending home sales index has bounced around in recent months and has averaged 104.5 over the past six months.
- Any reading above 100 is a generally positive sign for existing home sales, which tend to lead pending home sales by about two months.

Sales Have Picked Up in the South

- Pending home sales rose 1.4 percent in the Northeast, 1.3 percent in the South and 0.4 percent in the West. Pending sales fell 0.4 percent in the Midwest, continuing a long string of declines.
- On a year-to-year basis sales are up the most in the South, where they have risen 3.7 percent. The Northeast and West are up 2.8 and 2.3 percent, respectively, while pending sales in the Midwest have fallen 3.3 percent over the past year.

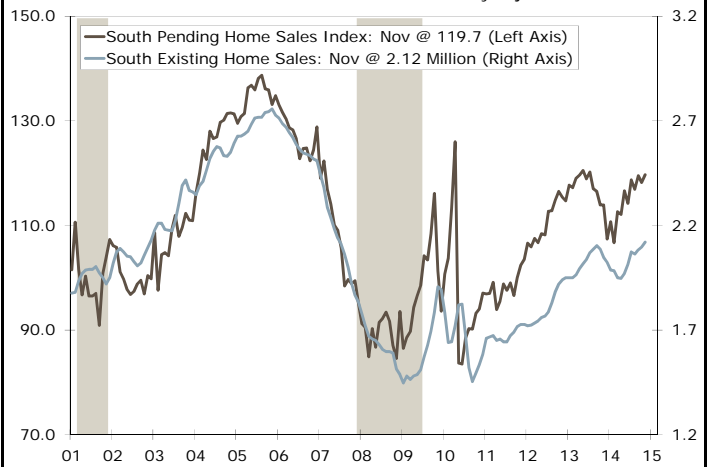
Pending vs. Existing Home Sales

Index 2001=100, In Millions, Seasonally Adjusted



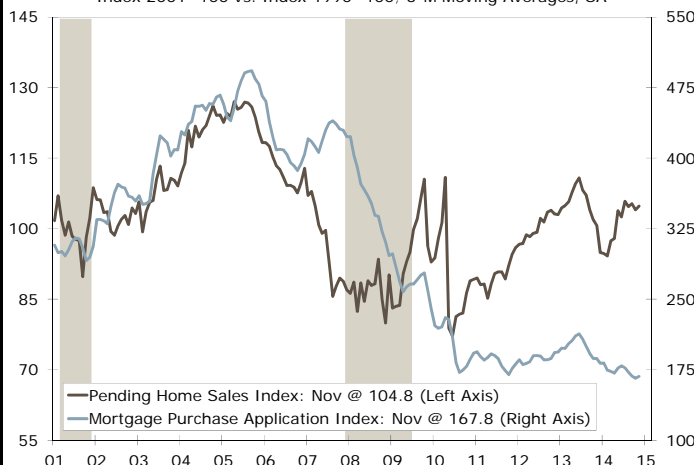
Pending vs. Existing Home Sales - South

Index 2001=100, In Millions, Seasonally Adjusted



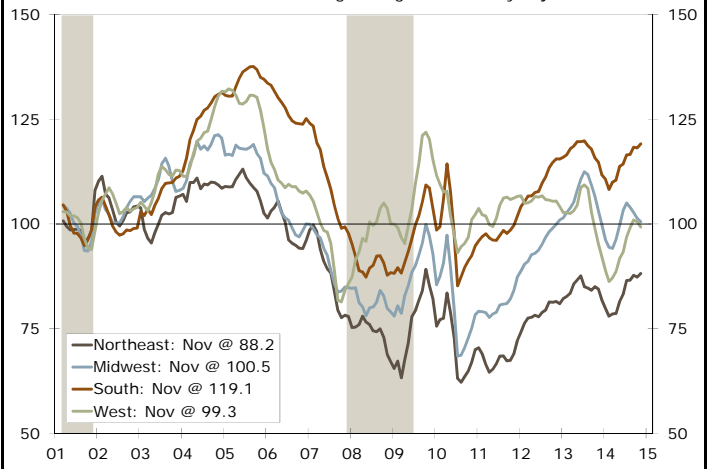
Pending Home Sales vs. Mortgage Purchases

Index 2001=100 vs. Index 1990=100; 3-M Moving Averages, SA



Pending Home Sales Index - By Region

Index 2001=100, 3-M Moving Averages, Seasonally Adjusted



Source: National Association of Realtors, MBA, U.S. Department of Commerce and Wells Fargo Securities, LLC

Wells Fargo Securities, LLC Economics Group

Diane Schumaker-Krieg	Global Head of Research, Economics & Strategy	(704) 410-1801 (212) 214-5070	diane.schumaker@wellsfargo.com
John E. Silvia, Ph.D.	Chief Economist	(704) 410-3275	john.silvia@wellsfargo.com
Mark Vitner	Senior Economist	(704) 410-3277	mark.vitner@wellsfargo.com
Jay H. Bryson, Ph.D.	Global Economist	(704) 410-3274	jay.bryson@wellsfargo.com
Sam Bullard	Senior Economist	(704) 410-3280	sam.bullard@wellsfargo.com
Nick Bennenbroek	Currency Strategist	(212) 214-5636	nicholas.bennenbroek@wellsfargo.com
Eugenio J. Alemán, Ph.D.	Senior Economist	(704) 410-3273	eugenio.j.aleman@wellsfargo.com
Anika R. Khan	Senior Economist	(704) 410-3271	anika.khan@wellsfargo.com
Azhar Iqbal	Econometrician	(704) 410-3270	azhar.iqbal@wellsfargo.com
Tim Quinlan	Economist	(704) 410-3283	tim.quinlan@wellsfargo.com
Eric Viloria, CFA	Currency Strategist	(212) 214-5637	eric.viloria@wellsfargo.com
Sarah Watt House	Economist	(704) 410-3282	sarah.house@wellsfargo.com
Michael A. Brown	Economist	(704) 410-3278	michael.a.brown@wellsfargo.com
Michael T. Wolf	Economist	(704) 410-3286	michael.t.wolf@wellsfargo.com
Zachary Griffiths	Economic Analyst	(704) 410-3284	zachary.griffiths@wellsfargo.com
Mackenzie Miller	Economic Analyst	(704) 410-3358	mackenzie.miller@wellsfargo.com
Erik Nelson	Economic Analyst	(704) 410-3267	erik.f.nelson@wellsfargo.com
Alex Moehring	Economic Analyst	(704) 410-3247	alex.v.moehring@wellsfargo.com
Donna LaFleur	Executive Assistant	(704) 410-3279	donna.lafleur@wellsfargo.com
Cyndi Burris	Senior Admin. Assistant	(704) 410-3272	cyndi.burris@wellsfargo.com

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