



RDQ ECONOMICS HOUSING MONITOR

July 28, 2008

	<i>period</i>	<i>trend</i>	<i>current value</i>	<i>previous value</i>	<i>short-term trend</i>	<i>long-term trend</i>	<i>current vs. history percentile level</i>	<i>description of trend (short- vs. long-term)</i>
Construction								
Housing starts	Jun_2008	+ve	1.066ml	0.977ml	35.5	-26.9	8	3-mo % a.r. Δ vs. y/y Δ
Single-family starts	Jun_2008	+ve	0.647ml	0.683ml	-31.4	-43.0	1	3-mo % a.r. Δ vs. y/y Δ
Building permits	Jun_2008	+ve	1.138ml	0.978ml	122.3	-20.6	19	3-mo % a.r. Δ vs. y/y Δ
Single-family building permits	Jun_2008	+ve	0.616ml	0.635ml	-3.2	-39.4	1	3-mo % a.r. Δ vs. y/y Δ
Single-family starts % of hous. stock	Q2_2008	-	0.89	0.97	0.89	1.54	1	curr. level vs level one year ago
Supply								
Months supply 1-family existing homes	Jun_2008	-ve	11.0	10.5	11.0	9.0	100	curr. level vs level one year ago
Months supply of new homes	Jun_2008	-ve	10.0	10.4	10.0	8.3	99	curr. level vs level one year ago
Supply of new homes	Jun_2008	+ve	426k	450k	426k	543k	82	curr. level vs level one year ago
Sales								
NAR 1-family existing home sales	Jun_2008	+ve	4.27ml	4.41ml	-8.0	-14.8	44	3-mo % a.r. Δ vs. y/y Δ
Single-family new home sales	Jun_2008	+ve	0.53ml	0.533ml	13.9	-33.2	8	3-mo % a.r. Δ vs. y/y Δ
Existing sales as % of housing stock	Q2_2008	-	5.7	5.8	5.7	6.8	34	curr. level vs level one year ago
Starts (1-family) / new home sales	Jun_2008	-	1.22	1.28	1.22	1.43	1	curr. level vs level one year ago
Pending home sales	May_2008	+ve	84.7	88.9	4.4	-14.6	3	3-mo % a.r. Δ vs. y/y Δ
Prices and Affordability								
Single-family existing home prices	Jun_2008	-ve	\$213.8k	\$206k	-6.7	-0.4	3	latest yr/yr Δ vs. year-ago yr/yr Δ
OFHEO price index	Q1_2008	-ve	387.5	388.4	-0.9	0.0	1	1-qtr % a.r. Δ vs. y/y Δ
Case-Shiller composite 20 index	Apr_2008	-ve	169.9	172.2	-15.3	-2.1	1	latest yr/yr Δ vs. year-ago yr/yr Δ
NAR housing affordability	May_2008	-ve	125.4	130.6	-26.4	13.6	48	3-mo % a.r. Δ vs. y/y Δ
— Northeast affordability	May_2008	-ve	104.0	110.6	-13.0	8.9	26	3-mo % a.r. Δ vs. y/y Δ
— West NAR housing affordability	May_2008	-ve	92.6	93.6	-0.9	25.8	37	3-mo % a.r. Δ vs. y/y Δ
— Midwest affordability	May_2008	-ve	162.8	173.2	-51.5	7.3	59	3-mo % a.r. Δ vs. y/y Δ
— South affordability	May_2008	-ve	135.1	138.8	-26.1	11.4	66	3-mo % a.r. Δ vs. y/y Δ
Surveys								
NAHB housing market index	Jul_2008	-ve	16	18	16	24	0	curr. level vs level one year ago
NAHB buyer traffic index	Jul_2008	-ve	12	16	12	19	0	curr. level vs level one year ago
NAHB future sales index	Jul_2008	-ve	23	27	23	34	0	curr. level vs level one year ago
MBA mortgage purchase applications	Jun_2008	-	353.2	359.7	-5.4	-20.3	68	3-mo % Δ vs. y/y Δ
MBA mortgage refinancings	Jun_2008	-	1370.5	2083.2	-53.0	-22.2	55	3-mo % Δ vs. y/y Δ
Other Macroeconomic Indicators								
Nonfarm payrolls	Jun_2008	-ve	137.64ml	137.702ml	-0.6	0.0	95	3-mo % a.r. Δ vs. y/y Δ
Unemployment rate	Jun_2008	-ve	5.5	5.5	5.5	4.6	53	curr. level vs level one year ago
U.S. median weeks unemployed	Jun_2008	-ve	10.0	8.3	10.0	8.3	94	curr. level vs level one year ago
Wage and salary income	May_2008	-ve	\$6601.9b	\$6582.2b	2.7	4.6	30	3-mo % a.r. Δ vs. y/y Δ
U.S. loans past due	Q1_2008	-ve	6.35	5.82	6.35	4.84	100	curr. level vs level one year ago
—conventional prime	Q1_2008	-ve	3.71	3.24	3.71	2.58	100	curr. level vs level one year ago
—conventional subprime	Q1_2008	-ve	18.79	17.31	18.79	13.77	100	curr. level vs level one year ago
—All FHA	Q1_2008	-ve	11.40	14.11	11.40	10.81	74	curr. level vs level one year ago
U.S. foreclosures started	Q1_2008	-ve	0.99	0.83	0.99	0.58	100	curr. level vs level one year ago
Mortgage Market / Interest Rates								
Freddie Mac 30-year fixed	25_Jul	-	6.63	6.26	6.63	6.45	32	current week vs. prior month
Freddie Mac 15-year fixed	25_Jul	-	6.18	5.78	6.18	6.04	34	current week vs. prior month
Freddie Mac 5/1 ARM	25_Jul	-	6.16	5.80	6.16	5.99	81	current week vs. prior month
10-year to 2-year Treasury spread	25_Jul	-	143	145	143	134	67	current week vs. prior month

SOURCES AND DESCRIPTIONS

Short-term trend: 3-month or 1-quarter annualized percentage change, current level, or latest yr/yr % change

Long-term trend: 12-month or 4-quarter percentage change, level one year ago, or yr/yr % change one year ago
(in each case, a description of the short-term vs. long-term trend is detailed in the far right column)

Trend: Positive when short-term trend is stronger than long-term trend and vice versa

Percentiles: The percent of levels that are lower than the current level;

based on data from 1990 onwards in most cases (see below for exceptions). A low percentile can be read as either a weak or strong signal, depending on the series—for example, a percentile on the level of the unemployment rate of 20 indicates that the unemployment rate has been below the current unemployment rate only 20% of the time since 1990 (a signal of strength), whereas a percentile on the growth rate of wage and salary income of 20 indicates that wage income growth has higher 80% of the time since 1990 (a signal of weakness).

SOURCES

Commerce Department

Housing starts, building permits, housing stock, months supply of new homes, new home sales, wage and salary income

National Association of Realtors

Months supply of existing homes, existing home sales, existing home prices, NAR housing affordability, pending home sales

Standard and Poors, Fiserv and MacroMarkets LLC

Case Shiller home prices

Office of Federal Housing Enterprise Oversight

OFHEO price index

National Association of Homebuilders

NAHB housing market data

Mortgage Bankers' Association

MBA mortgage applications data, loans passed due, foreclosures

Labor Department

Nonfarm payrolls, unemployment rate, median weeks unemployed

Freddie Mac

30-year fixed rate, 15-year fixed rate, 5/1 ARM rate

Federal Reserve Board

10-year to 2-year Treasury spread

NOTES

Exceptions to percentiles

In the following cases (due to lack of series history) percentiles are not based on 1990 onwards:

- percentile on conventional prime/subprime, loans passed due (1998 onwards)
- percentile on pending home sales (2001 onwards)
- percentile on Case-Shiller home prices (2001 onwards)
- percentile on Freddie Mac 15-year rate (1991 onwards)
- percentile on Freddie Mac 5-1 ARM rate (2005 onwards)