

# HaMMR Digest

Stay current with economic and mortgage market trends.

April 28, 2025

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### Trade Impacts Percolating

- **Key Takeaway:** A light data week kept focus on the evolving trade narrative, which has shifted toward a more de-escalatory tone recently.
- **Macro Implications:** Limited time before tariff impacts begin to show more broadly, with early signs already emerging in port and logistics volumes.
- **Housing Implications:** Housing remains vulnerable on several fronts, with the risk of national home price declines uncomfortably elevated.

### Macro: “Uncertainty” Name of the Game

- Business activity measures for April reflect caution in hiring and investment.
- West Coast port volumes have fallen below typical seasonal norms.
- A busy week ahead with 1Q25 GDP release and April payrolls report in focus.

### Rates: Hope Springs Eternal

- 10-yr UST fell 9bps w/w to 4.25% as trade deal hopes calmed markets.
- Fed schism remains between preemptive cut crew and patience advocates.
- Market pricing back to four 25bps rate cuts in 2025 amid growth risks.

### Housing: Buyers Pulling Back

- Mortgage rates settling into upper-6% range despite recent volatility.
- Demand has eased faster than inventory, weighing on home prices.
- Metros with already-elevated inventory to see most acute price weakness.

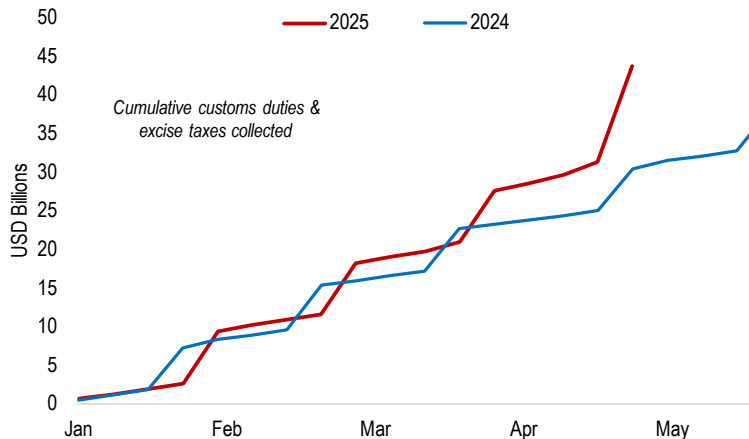
### Existing Home Sales: Just the Beginning

- Existing home sales down -6% m/m in Mar. and -3% annualized in 1Q25.
- Inventory surged 41% annualized in 1Q25 and is now up 20% y/y.
- Months’ supply up to 4.4 (sa) from 3.6 a year ago, above 2019 levels.

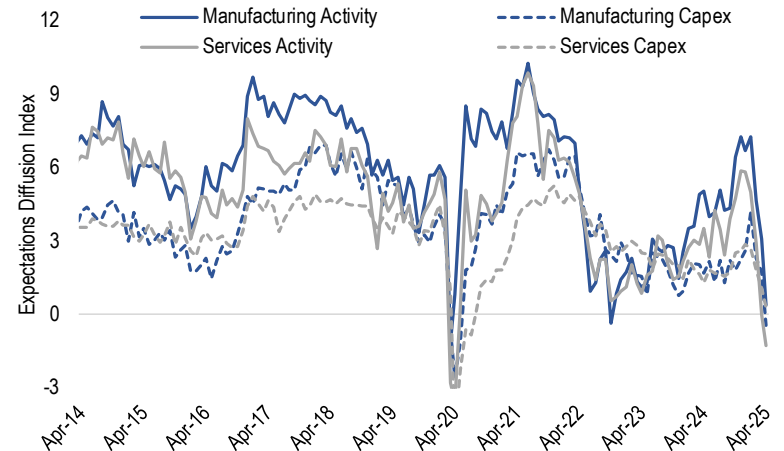
### New Home Sales: Flattered by Prior Downward Revisions

- Mar. new home sales rose 7.4% m/m and 6.0% y/y.
- Months’ supply of completed homes down to 3.8 months, up 60bps y/y.
- Builders reporting a softer-than-usual start to spring selling season.

Weekly Customs Duties Collected Shows Tariff Costs Started to Bite in April



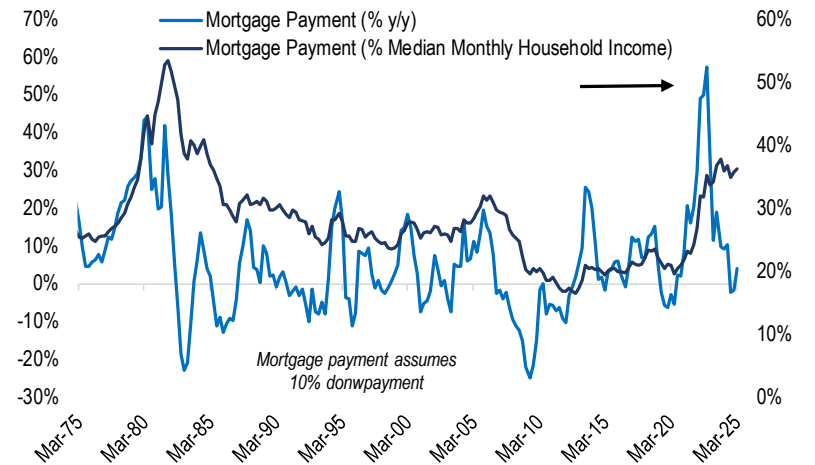
Trade War Triggers Services and Manufacturing Firms Alike to Anticipate Pandemic-Like Shock to Output



**Elevated Mortgage Rates, Falling Consumer Sentiment and Weaker Growth Will Weigh on Home Sales**



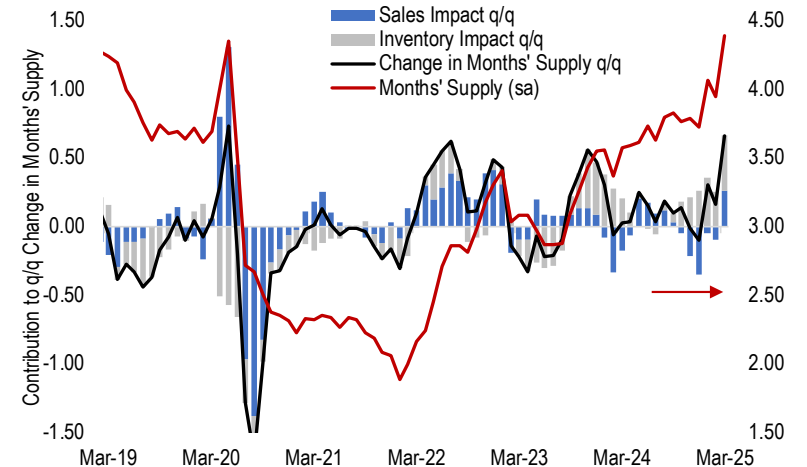
**Mortgage-Payment-to-Income Ratio Has Barely Budged Despite Slower Annual Growth in Monthly Payments**



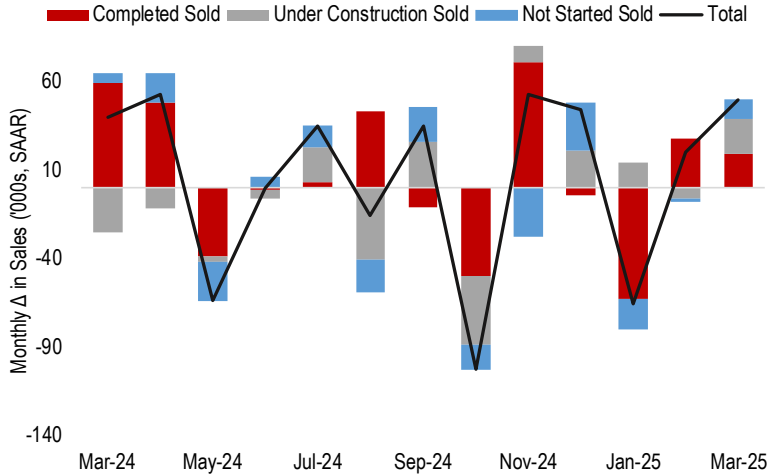
**Inventory Growth Picking Up Momentum Even, as Level Remained below Pre-Pandemic Norm**



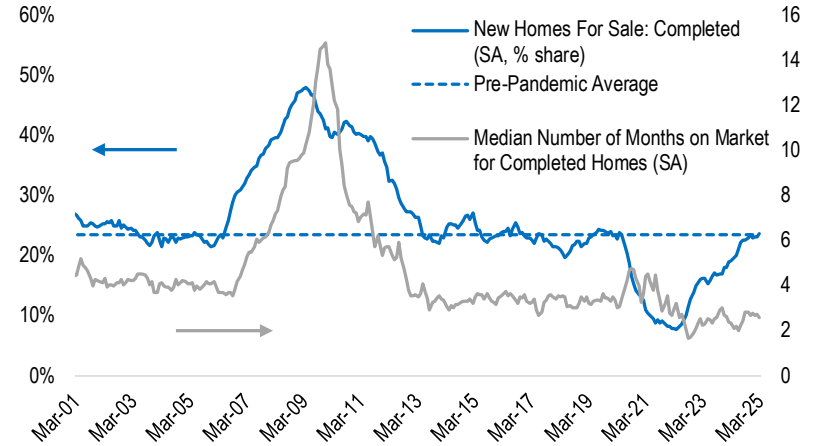
**Largest Quarterly Rise in Months' Supply Since May 2020 Driven by Precipitous Rise in Inventory**



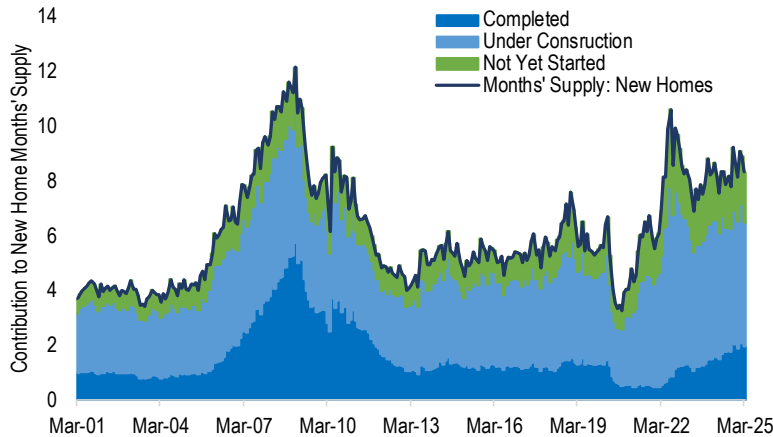
**March New Home Sales Posted a Surprise Jump, with All Segments Rising**



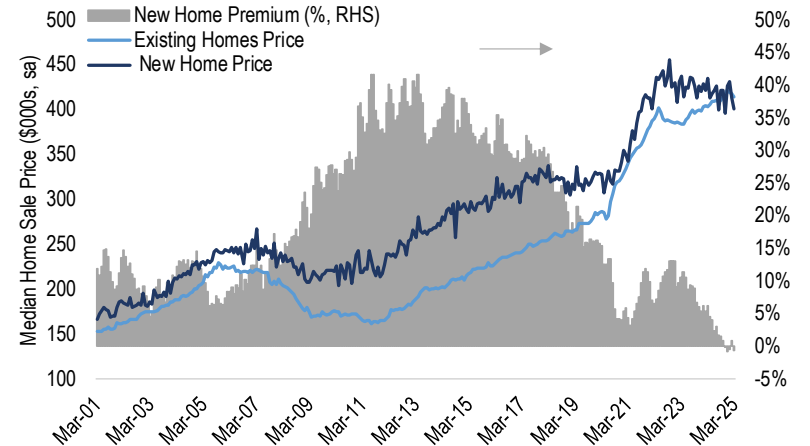
**Completed Homes as Share of New Homes for Sale Has Been Rising and Is Now above Pre-Pandemic Norm**



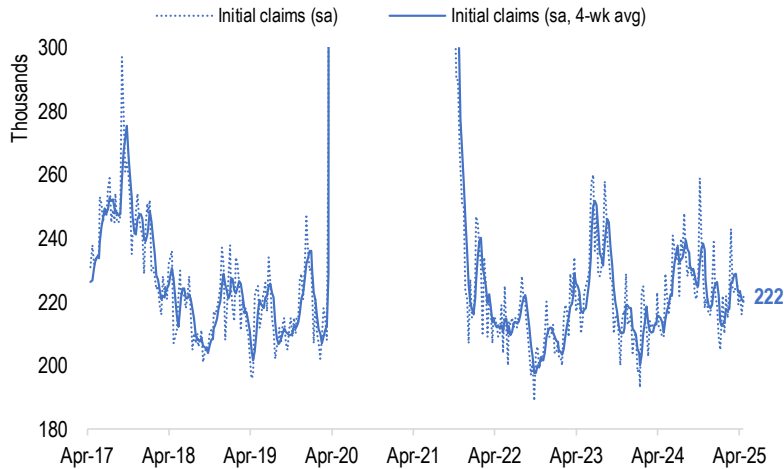
**Months' Supply Fell across All Categories, Led by "Under Construction"**



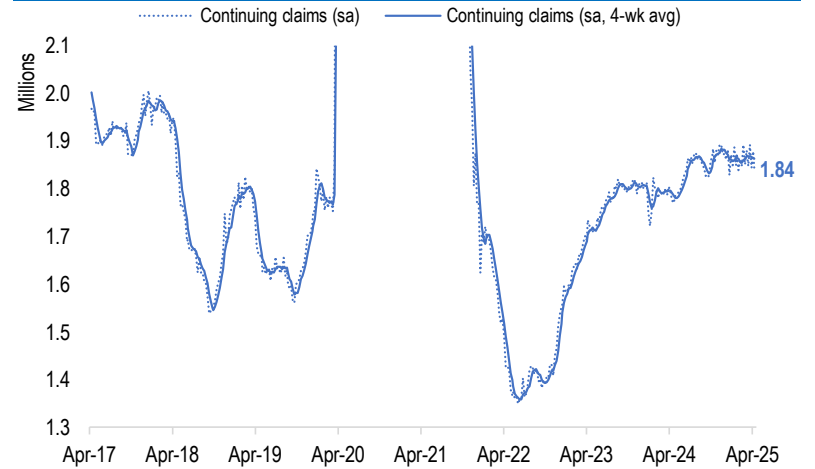
**National New Home Premium over Existing Home Prices Oscillating around Zero in Recent Months**



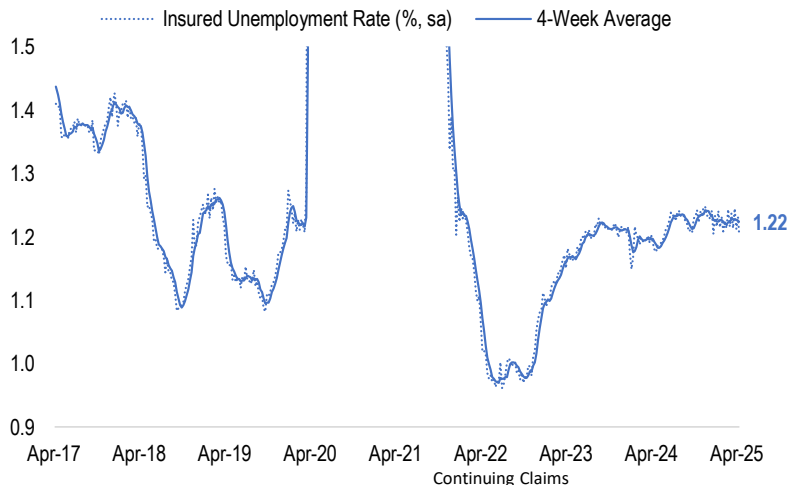
**Initial Claims (SA) Ticked Up during the Week Ending April 19, but Trend Remained Lower**



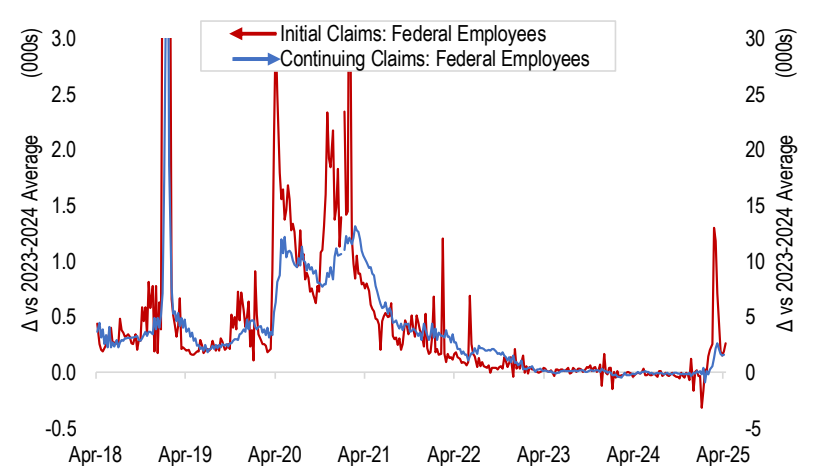
**Continuing Claims Moved Lower during Week Ending April 12, Still near Upper Bound of Recent Range**



**Normalizing for the Size of the Labor Force, Insured Unemployment Only Modestly above Pre-Pandemic**



**Federal Employee Initial Claims Rose for Second Week in a Row, Even as Continuing Claims Eased Further**

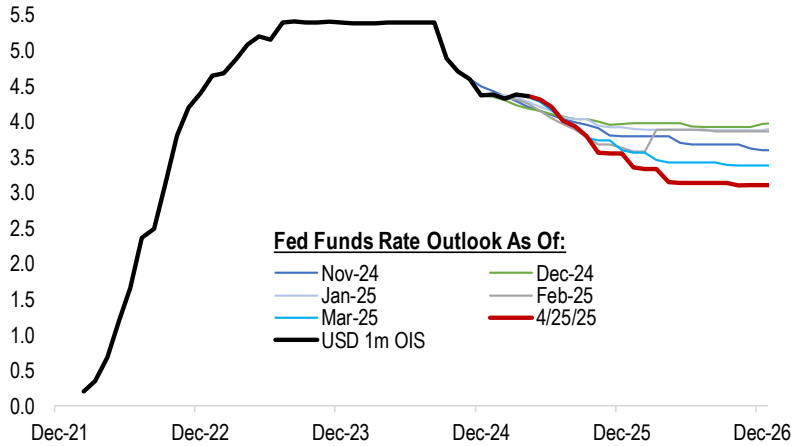


$$\text{Insured Unemployment} = \frac{\text{Continuing Claims}}{\text{Employed Population Eligible for Unemployment Insurance}}$$

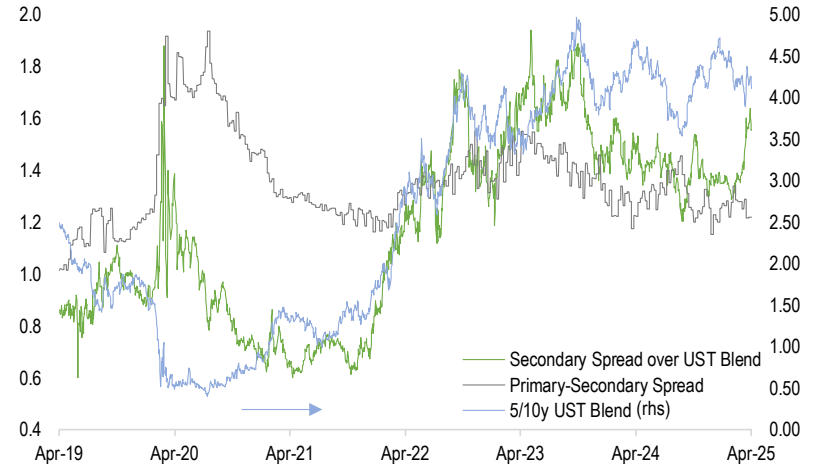
Sources: U.S. Department of Labor, Arch Global Economics

SA = Seasonally Adjusted  
NSA = Not Seasonally Adjusted

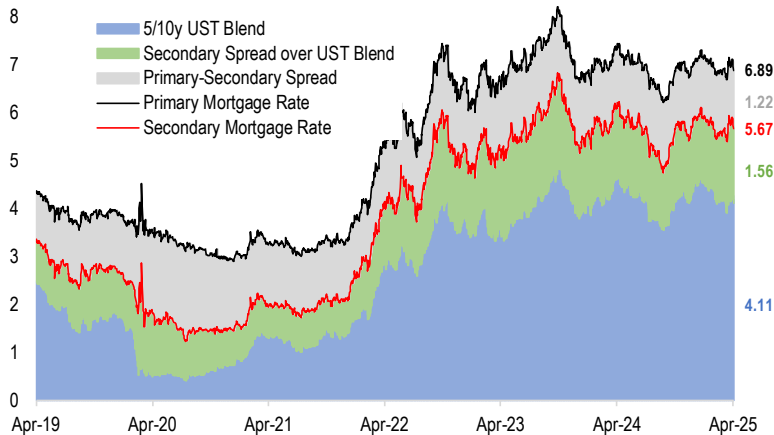
**Growth Concerns Tipped Market Pricing back to Four 25bps Rate Cuts in 2025**



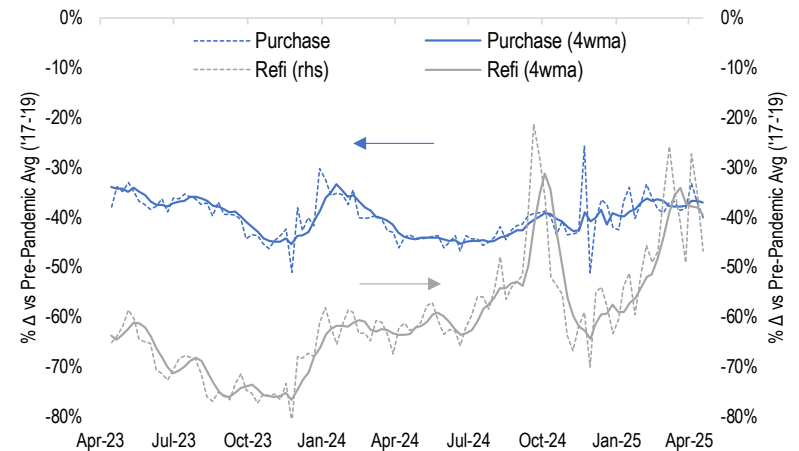
**UST Yields Dropped -9bps Last Week, while Mortgage Spreads Narrowed Slightly ...**



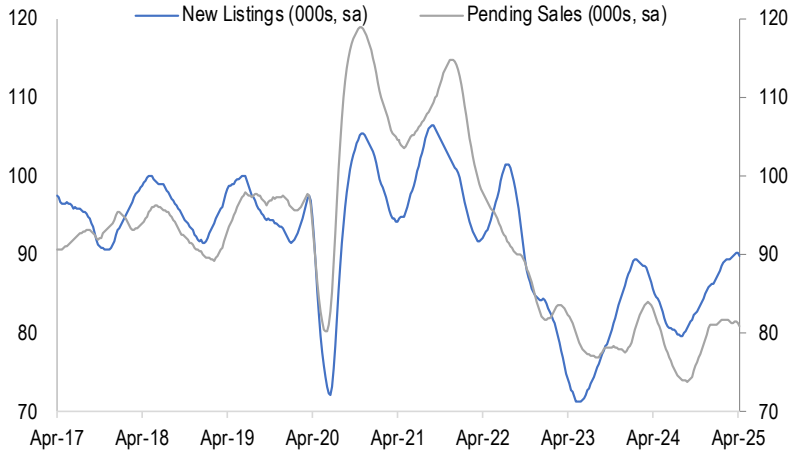
**... Which Brought Mortgage Rates Further below 7% for a Second Straight Week**



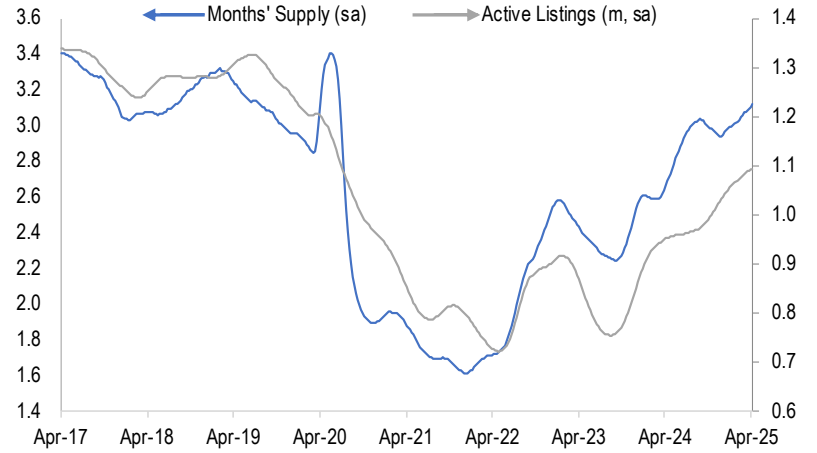
**Mortgage Purchase and Refi Applications Have Turned Lower as Rate Volatility and Levels Weigh on Demand**



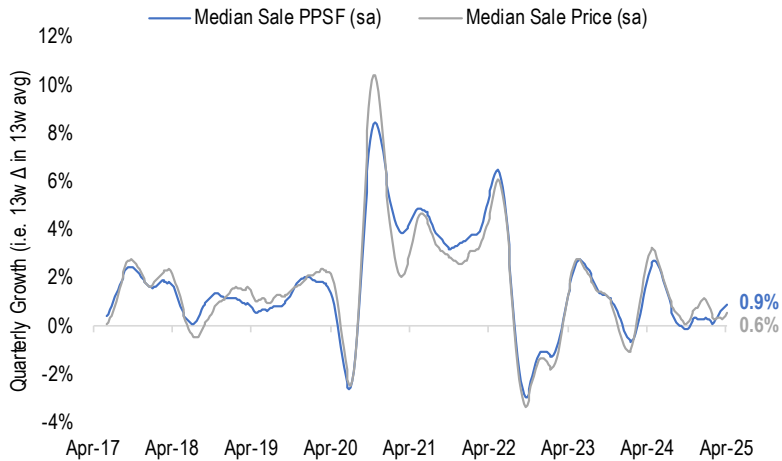
**New Listings Still Far Outpacing Pending Sales, Which Have Continued to Cool**



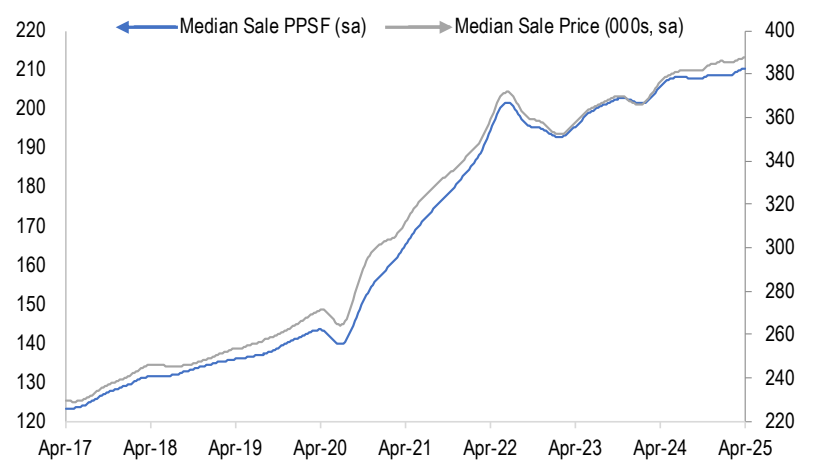
**... Which Nudged Months' Supply a Bit Higher as Inventory Continued to Swell**



**Pace of Seasonally Adjusted Home-Price Growth Has Started to Turn Higher after Weak Start to '25**



**Majority of Recent Home-Price Growth Occurred Back in Early 2024**



### Annual Home Price Growth Has Broadly Cooled as Most Markets Have Generally Softened

Metro	Median Sale Price Per Square Foot (y/y)		Median List Price Per Square Foot (y/y)		Active Listings with Price Drops		Average Sale-to-List Ratio		Median Days on Market vs Pre-COVID		Total Active Listings (y/y)	Months' Supply vs Pre-COVID	
	Current	(Δ q/q, ppt)	Current	(Δ q/q, ppt)	Current	(Δ y/y, ppt)	Current	(Δ y/y, ppt)	Current	Year Ago		Current	Year Ago
All Redfin Metros	1.4%	-1.6%	4.4%	1.6%	6.5%	1.6%	98.8%	-0.4%	-8.9	-13.7	15%	0%	-17%
Atlanta	-0.7%	-1.2%	4.0%	3.9%	6.8%	2.2%	98.4%	-0.5%	13.0	-1.3	19%	7%	-15%
Austin	-2.2%	0.2%	1.0%	0.9%	8.8%	1.9%	97.6%	-0.3%	35.5	29.3	15%	126%	63%
Baltimore	3.5%	0.2%	4.7%	1.5%	6.2%	1.3%	101.2%	-0.2%	-7.3	-12.3	14%	-24%	-39%
Boston	3.0%	-5.3%	7.5%	7.6%	4.6%	1.3%	102.1%	-0.3%	4.6	4.6	17%	0%	-21%
Chicago	4.5%	-3.2%	5.6%	0.0%	3.0%	1.2%	100.2%	-0.1%	12.8	13.1	-5%	-16%	-15%
Dallas	-2.3%	-1.5%	0.4%	1.6%	9.0%	2.6%	98.0%	-0.4%	15.0	2.6	29%	48%	7%
Denver	-1.9%	-2.3%	1.9%	2.5%	9.4%	1.2%	99.3%	-0.5%	9.7	2.9	42%	76%	32%
Houston	-0.9%	-1.5%	2.2%	1.0%	7.7%	2.0%	97.1%	-0.4%	10.7	-0.6	20%	19%	-5%
Los Angeles	0.0%	-2.9%	3.6%	-0.1%	5.6%	2.8%	100.5%	-0.8%	-2.3	-5.5	6%	3%	-3%
Miami	0.8%	-2.6%	4.4%	1.4%	4.8%	1.5%	95.3%	-0.7%	14.3	0.2	23%	35%	-16%
Minneapolis	1.1%	-1.2%	1.5%	-1.1%	5.4%	1.1%	100.5%	-0.1%	-0.5	-2.5	3%	-9%	-13%
Nashville	1.0%	0.7%	5.4%	5.2%	5.6%	1.9%	98.2%	-0.4%	7.7	-1.7	19%	26%	-2%
New York	5.0%	-4.2%	5.6%	-0.5%	3.7%	0.5%	99.7%	0.1%	-45.8	-46.5	0%	-20%	-27%
Phoenix	-1.2%	-1.8%	2.6%	1.5%	8.6%	1.6%	98.1%	-0.2%	12.7	3.7	34%	51%	21%
Portland	0.7%	-0.8%	2.7%	1.4%	7.6%	1.7%	100.0%	-0.1%	10.8	3.2	11%	38%	18%
Riverside	1.7%	-4.0%	3.3%	-0.3%	7.1%	3.1%	99.2%	-0.3%	-9.2	-13.7	7%	-6%	-11%
San Diego	-0.1%	-3.6%	0.2%	-2.3%	6.8%	3.1%	99.8%	-1.2%	-0.1	-4.6	26%	6%	-17%
Seattle	1.1%	-3.4%	4.2%	0.1%	6.9%	2.9%	101.6%	-1.0%	-1.3	-1.8	37%	36%	-3%
Tampa	-3.7%	-0.1%	2.0%	3.8%	10.0%	1.3%	96.8%	-0.5%	4.3	-3.4	20%	49%	21%
Washington DC	2.7%	-3.5%	4.1%	-1.4%	5.6%	1.9%	100.7%	-0.6%	10.4	6.0	25%	12%	-18%

Data as of Apr. 20, 2025, and reflects 4-week averages.



## Upcoming Data Releases

Key economic and housing data releases for the coming week:

Date	Time	Indicator	Period	Actual	Consensus	Revised	Prior	Note
4/29/25	9:00 AM	FHFA House Price Index m/m	Feb	--	0.3	--	0.2	%, sa
4/29/25	9:00 AM	S&P CoreLogic CS 20-City m/m SA	Feb	--	0.4	--	0.5	%, sa
4/29/25	9:00 AM	S&P CoreLogic CS 20-City y/y NSA	Feb	--	4.7	--	4.7	%, nsa
4/29/25	10:00 AM	JOLTS Job Openings	Mar	--	7,500	--	7,568	k, sa
4/29/25	10:00 AM	Conf. Board Consumer Confidence	Apr	--	87.6	--	92.9	index, sa
4/30/25	7:00 AM	MBA Mortgage Applications w/w	4/25/25	--	--	--	-12.7	%, sa
4/30/25	8:15 AM	ADP Employment m/m	Apr	--	124	--	155	k, sa
4/30/25	8:30 AM	GDP Annualized q/q	1Q A	--	0.4	--	2.4	%, saar
4/30/25	8:30 AM	Personal Consumption q/q	1Q A	--	1.2	--	4.0	%, saar
4/30/25	8:30 AM	Core PCE Deflator q/q	1Q A	--	3.0	--	2.6	%, saar
4/30/25	8:30 AM	Employment Cost Index q/q	1Q	--	0.9	--	0.9	%, sa
4/30/25	10:00 AM	Personal Income m/m	Mar	--	0.4	--	0.8	%, sa
4/30/25	10:00 AM	Personal Spending m/m	Mar	--	0.6	--	0.4	%, sa
4/30/25	10:00 AM	Real Personal Spending m/m	Mar	--	0.5	--	0.1	%, sa
4/30/25	10:00 AM	PCE Inflation m/m	Mar	--	0.0	--	0.3	%, sa
4/30/25	10:00 AM	PCE Inflation y/y	Mar	--	2.2	--	2.5	%, nsa
4/30/25	10:00 AM	PCE Core Inflation (ex Food and Energy) m/m	Mar	--	0.1	--	0.4	%, sa
4/30/25	10:00 AM	PCE Core Inflation (ex Food and Energy) y/y	Mar	--	2.6	--	2.8	%, nsa
4/30/25	10:00 AM	Pending Home Sales m/m	Mar	--	1.0	--	2.0	%, sa
4/30/25	10:00 AM	Pending Home Sales y/y	Mar	--	--	--	-7.2	%, nsa
5/1/25	11:00 AM	Wards Total Vehicle Sales	Apr	--	17.1	--	17.8	m, saar
5/1/25	8:30 AM	Initial Jobless Claims	4/26/25	--	225	--	222	k, sa
5/1/25	8:30 AM	Continuing Claims	4/19/25	--	1,860	--	1,841	k, sa
5/1/25	9:45 AM	S&P Global US Manufacturing PMI	Apr F	--	50.7	--	50.7	index, sa
5/1/25	10:00 AM	ISM Manufacturing	Apr	--	48.0	--	49.0	index, sa
5/1/25	10:00 AM	ISM Prices Paid	Apr	--	73.0	--	69.4	index, nsa
5/2/25	8:30 AM	Nonfarm Payrolls m/m	Apr	--	130	--	228	k, sa
5/2/25	8:30 AM	Private Payrolls m/m	Apr	--	120	--	209	k, sa
5/2/25	8:30 AM	Unemployment Rate	Apr	--	4.2	--	4.2	%, sa
5/2/25	8:30 AM	Labor Force Participation Rate	Apr	--	62.5	--	62.5	%, sa
5/2/25	8:30 AM	Average Hourly Earnings m/m	Apr	--	0.3	--	0.3	%, sa
5/2/25	8:30 AM	Average Hourly Earnings y/y	Apr	--	3.9	--	3.8	%, nsa
5/2/25	8:30 AM	Average Weekly Hours All Employees	Apr	--	34.2	--	34.2	sa
5/2/25	10:00 AM	Durable Goods Orders m/m	Mar F	--	9.2	--	9.2	%, sa
5/2/25	10:00 AM	Cap Goods Orders Nondef Ex Air m/m	Mar F	--	--	--	0.1	%, sa
5/2/25	10:00 AM	Cap Goods Ship Nondef Ex Air m/m	Mar F	--	--	--	0.3	%, sa

Sources: Bloomberg Consensus Survey of Economists, Arch Global Economics

## Recent Data Releases

Key economic and housing data releases over the prior week:

Date	Time	Indicator	Period	Actual	Consensus	Revised	Prior	Note
4/21/25	10:00 AM	Conference Board Leading Index m/m	Mar	<b>-0.7</b>	-0.5	-0.2	-0.3	%, sa
4/23/25	7:00 AM	MBA Mortgage Applications w/w	4/18/25	<b>-12.7</b>	--	--	-8.5	%, sa
4/23/25	7:45 AM	Building Permits	Mar F	<b>1,467</b>	--	--	1,482	k, saar
4/23/25	7:45 AM	Building Permits m/m	Mar F	<b>0.5</b>	--	--	1.6	%, sa
4/23/25	9:45 AM	S&P Global US Manufacturing PMI	Apr P	<b>50.7</b>	49.0	--	50.2	index, sa
4/23/25	9:45 AM	S&P Global US Services PMI	Apr P	<b>51.4</b>	52.6	--	54.4	index, sa
4/23/25	9:45 AM	S&P Global US Composite PMI	Apr P	<b>51.2</b>	52.0	--	53.5	index, sa
4/23/25	10:00 AM	New Home Sales	Mar	<b>724</b>	685	674	676	k, saar
4/23/25	10:00 AM	New Home Sales m/m	Mar	<b>7.4</b>	1.3	3.1	1.8	%, sa
4/24/25	8:30 AM	Durable Goods Orders m/m	Mar P	<b>9.2</b>	2.0	0.9	1.0	%, sa
4/24/25	8:30 AM	Cap Goods Orders Nondef Ex Air m/m	Mar P	<b>0.1</b>	0.1	-0.3	-0.2	%, sa
4/24/25	8:30 AM	Cap Goods Ship Nondef Ex Air m/m	Mar P	<b>0.3</b>	0.2	0.7	0.8	%, sa
4/24/25	8:30 AM	Initial Jobless Claims	4/19/25	<b>222</b>	222	216	215	k, sa
4/24/25	8:30 AM	Continuing Claims	4/12/25	<b>1,841</b>	1,869	1,878	1,885	k, sa
4/24/25	10:00 AM	Existing Home Sales	Mar	<b>4.0</b>	4.1	4.3	4.3	m, saar
4/24/25	10:00 AM	Existing Home Sales m/m	Mar	<b>-5.9</b>	-3.1	4.4	4.2	%, sa
4/25/25	10:00 AM	U. of Mich. Sentiment	Apr F	<b>52.2</b>	50.5	--	50.8	index, nsa
4/25/25	10:00 AM	U. of Mich. 1 Yr Inflation	Apr F	<b>6.5</b>	6.8	--	6.7	nsa
4/25/25	10:00 AM	U. of Mich. 5-10 Yr Inflation	Apr F	<b>4.4</b>	4.4	--	4.4	nsa

Sources: Bloomberg Consensus Survey of Economists, Arch Global Economics

**Green** = upside surprise; **Red** = downside surprise; (compared vs. prior if no consensus estimates available)