HaMMR Digest

Stay current with economic and mortgage market trends.

November 10, 2025

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Nothing to Write Home About

- **Key Takeaway:** Contours of alternative labor data for October suggest private labor demand steadied but not enough to inhibit incremental build up of slack.
- **Macro Implications:** Other data show activity is holding up with price pressures still evident, keeping the Fed skewed towards skipping a December rate cut.
- **Housing Implications:** Steady economic growth alongside a sluggish labor backdrop and a seasonally weak period imply limited upside to sales near term.

Macro: Steady As She Goes (As Best We Can Decipher)

- If IEEPA tariffs are overturned, White House will likely invoke other trade powers.
- Weak Oct. auto sales byproduct of front-running tariffs, expiring EV tax credit.
- ISM Services prices index hits 3yr-high with firms noting tariff and wage costs.

Rates: Are You Not Entertained?

- 10y yield little changed on the week despite bouts of volatility around labor data.
- Yield curve bear steepened as short-term rates fell while long-term rates rose.
- Markets maintain odds of a Dec. Fed cut at ~65% with three cuts priced for ‘26.

Housing: Taking a Breather?

- Mortgage rates reversed part of recent slide, no clear catalyst for the next move.
- Buyers taking longer to pull the trigger will find themselves facing higher prices.
- Refis continue to dominate apps activity with purchase apps trending sideways.

Alt Jobs Report: Incremental Cooling Evident

- Data indicate a rebound in private payrolls, but still historically weak in Oct.
- FRB Chicago unemployment rate nowcast crept higher due to weak hiring.
- Announced layoffs reached an Oct. high but remain inconclusive as a trend.

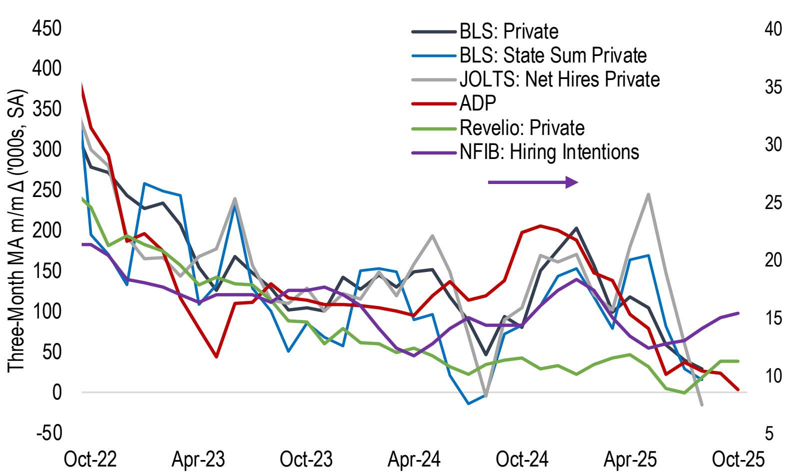
ISM PMI: Doing More With Less

- Share of manufacturing industries in contraction rose in October.
- Services new orders surged; employment only marginally improved.
- Firms note a challenging environment for hiring and planning.

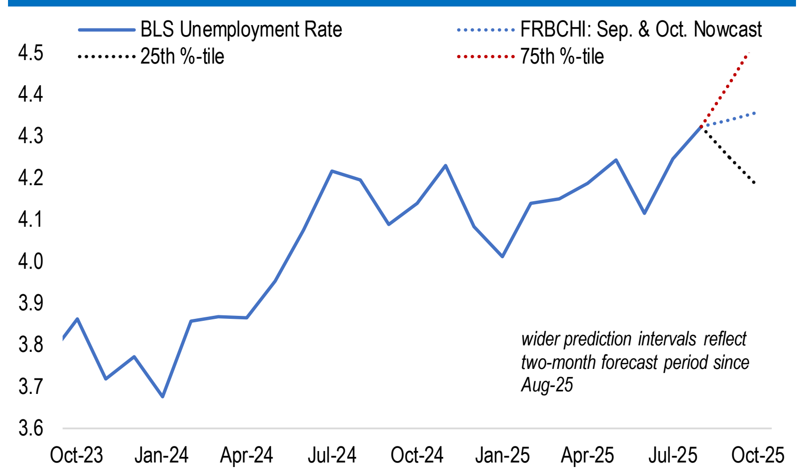
Banking and Credit: Circumspect

- Banks keep credit tight, especially for small firms and credit cards.
- Household credit demand for credit cards strongest since 2023.
- Banks remain reluctant to extend credit amid broader risk aversion.

Trend Job Growth Unlikely to Have Shifted Out of Its Humdrum Pace

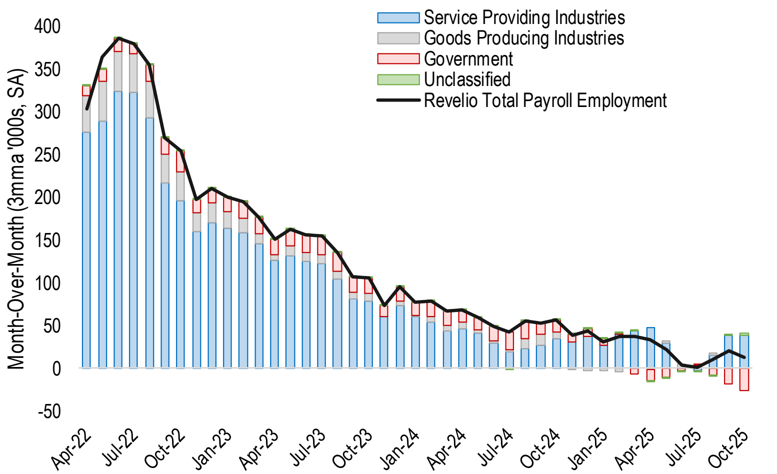


FRB Chicago Unemployment Rate Nowcast Points to Greater Odds of an Uptick in Oct.’s Unemployment Rate

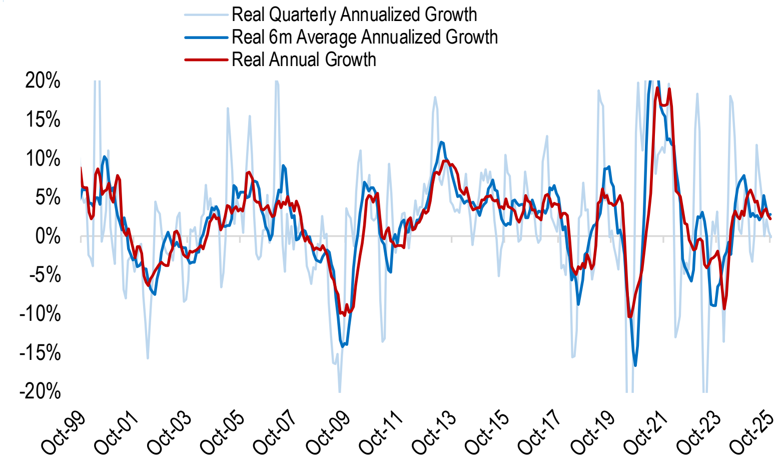


Sources: Bureau of Labor Statistics, ADP, Revelio, NFIB, Federal Reserve Board, Arch Global Economics

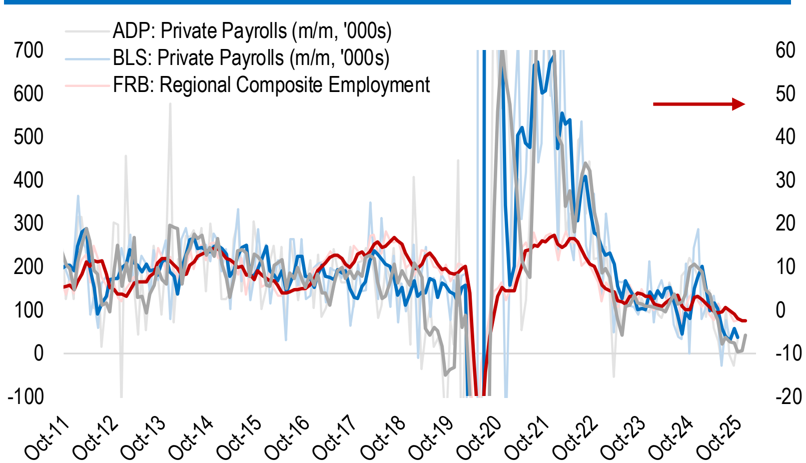
Revelio Payrolls Data through October Show a Private Sector Rebound Juxtaposing Government Weakness



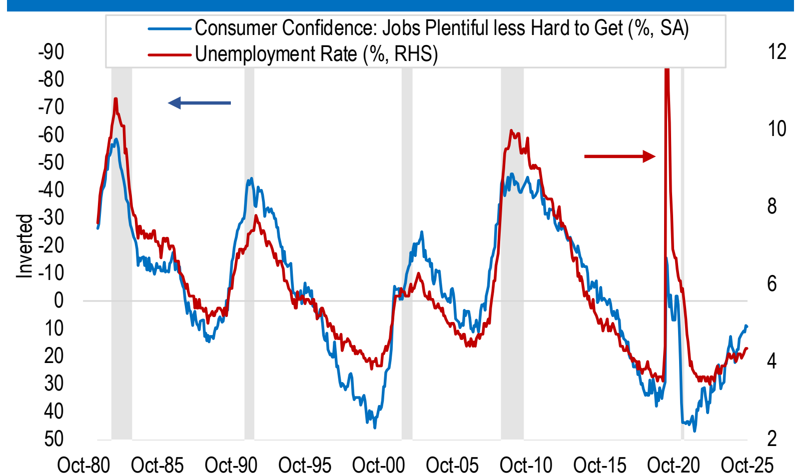
Growth in Real Income Tax Withholdings Suggests Labor Market Has Not Deteriorated Further



Regional Fed Employment Index More or Less Holding Steady in October despite Rebound in Activity

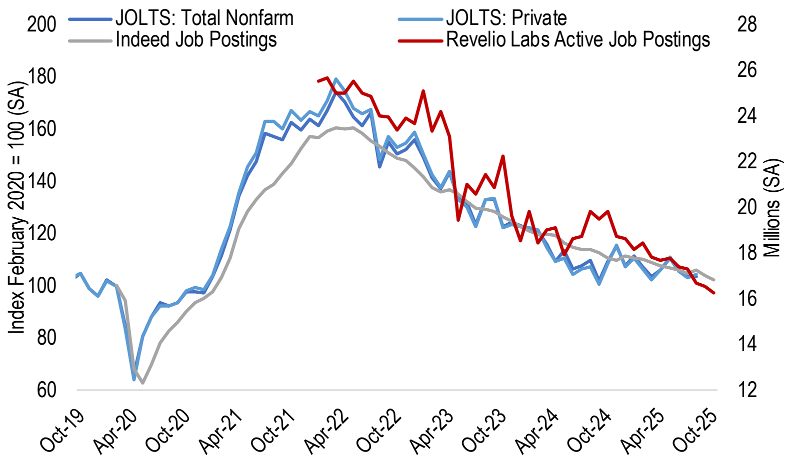


Household Labor Perceptions Heading in the Wrong Direction, Synonymous with Higher Unemployment

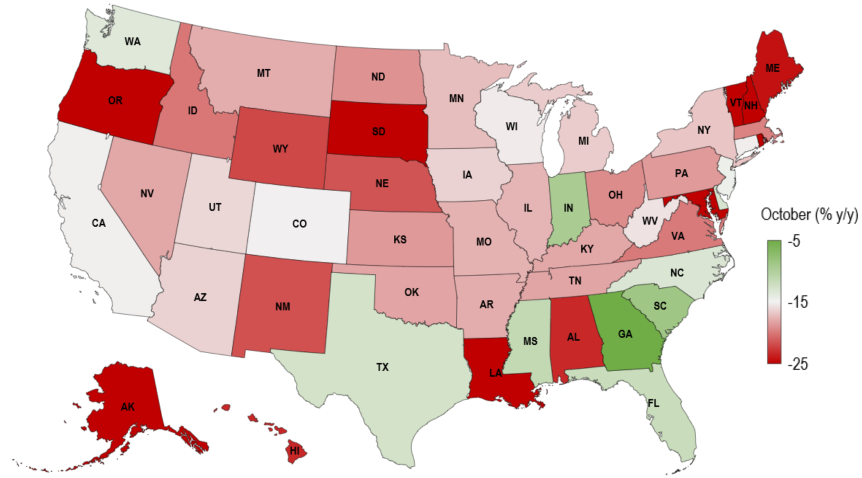


Sources: U.S. Bureau of Labor Statistics, Revelio, Challenger, WARN, Conference Board, Arch Global Economics

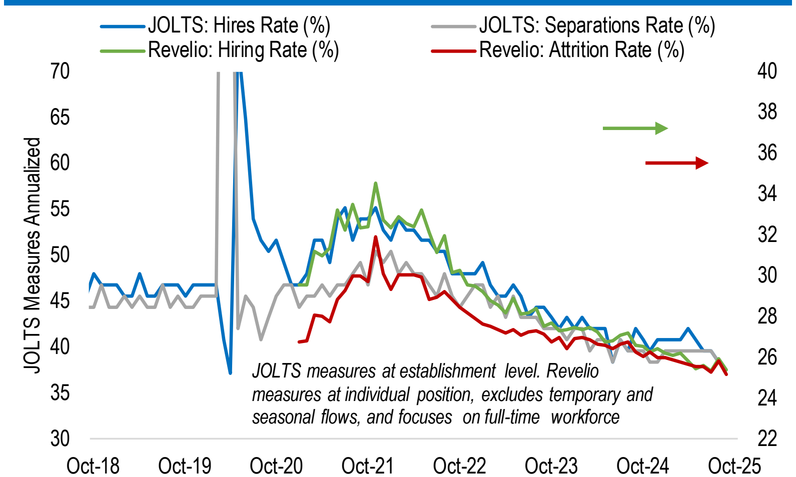
Job Postings, No Matter What Measure Referenced, Keep Trending Lower



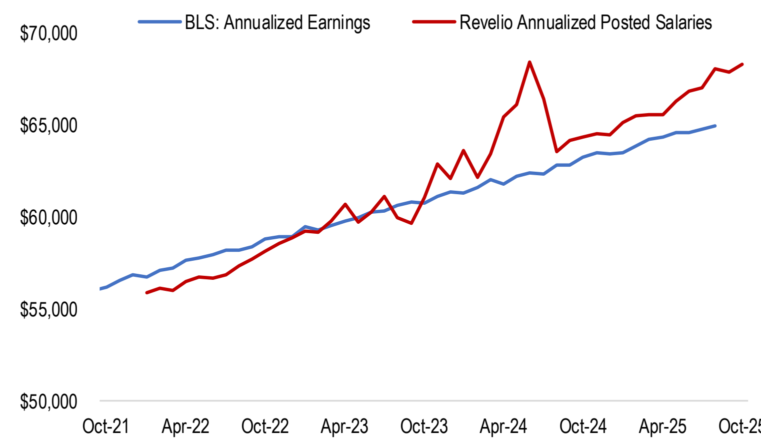
Annual Change in Job Postings by State Show Broad-Based Weakness Led by Midwest and Mid-Atlantic



Revelio's Hiring and Attrition Rates Both Point towards Stagnant Labor Churn

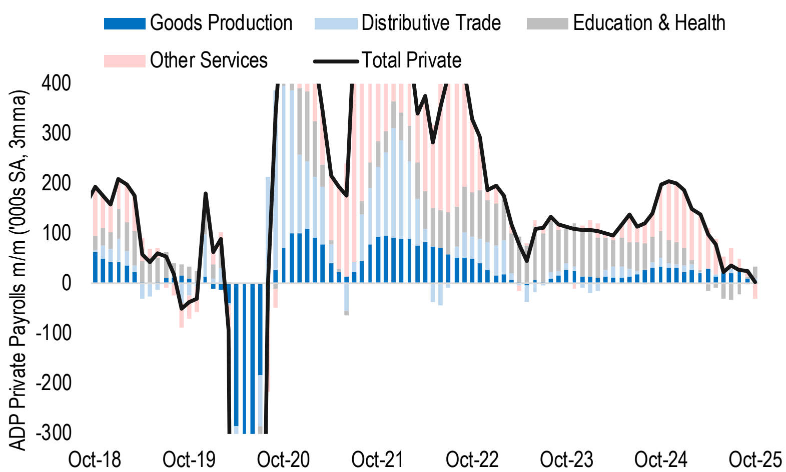


Despite Weak Labor Turnover, Salaries Suggest Upside to Wage Cost Pressures

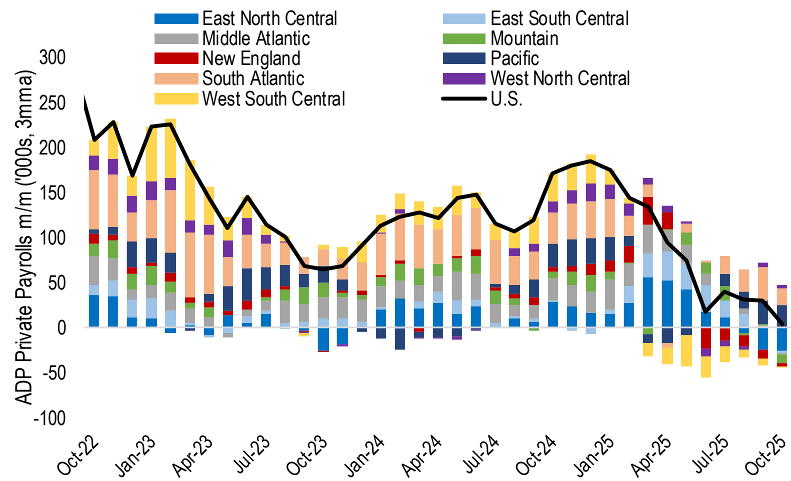


Sources: U.S. Bureau of Labor Statistics, Revelio, Arch Global Economics

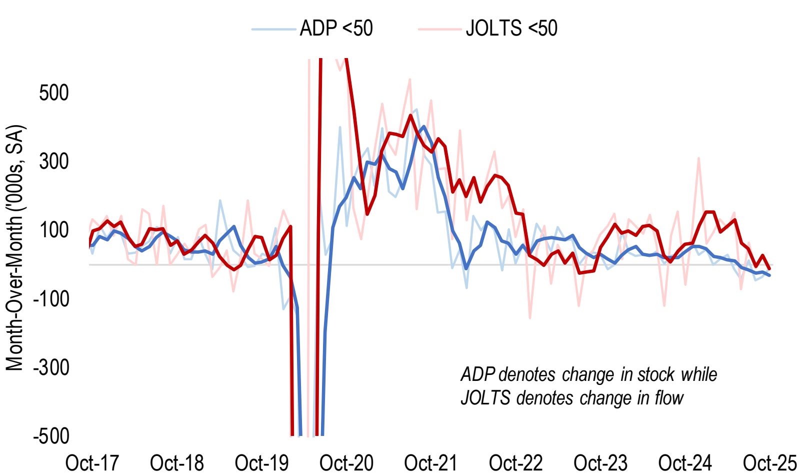
Education and Healthcare Only Sectors Showing Gains with Broad Weakness across Other Services



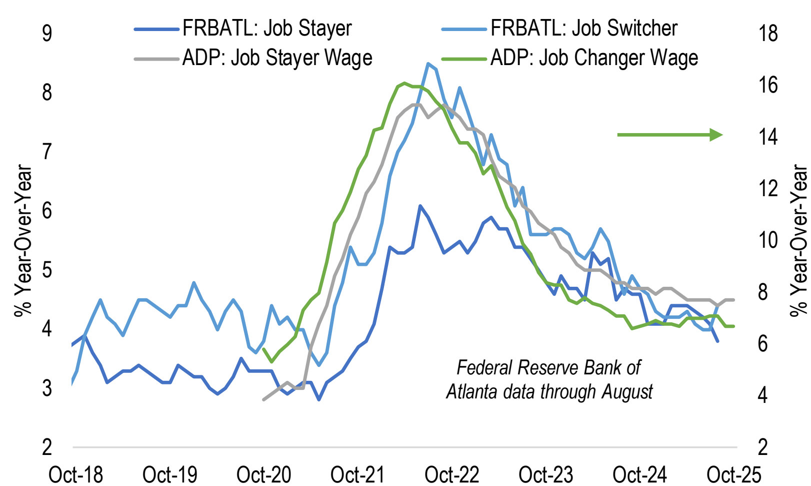
Monthly Private Payrolls Weakness Most Prominent in Upper Midwest and East Coast



Job Gains, Measured Either in Terms of Stock or Flow, Have Slowed Considerably for Smaller Firms

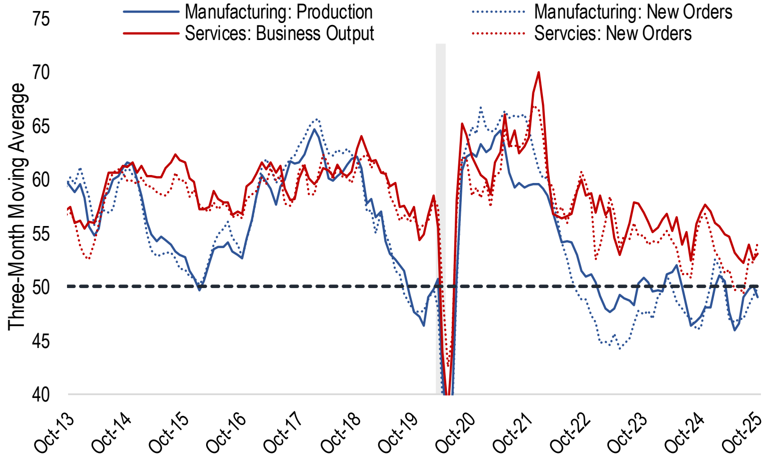


ADP Wage Data Suggest Earnings Growth for Job Stayers and Changers Moving Sideways at a Healthy Pace

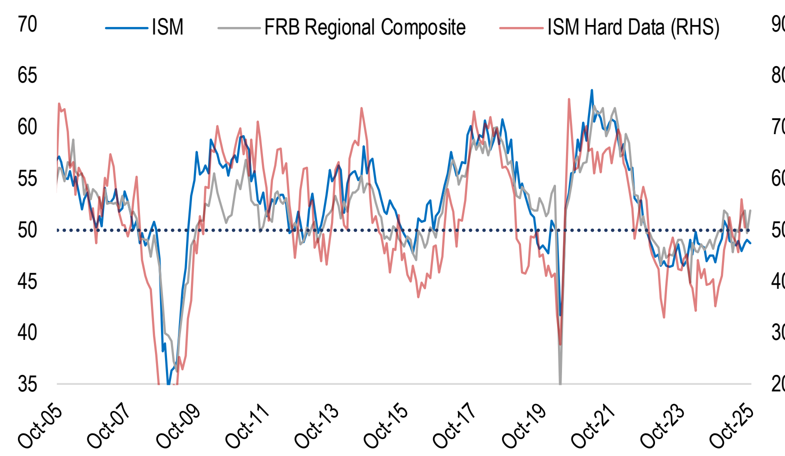


Sources: U.S. Bureau of Labor Statistics, ADP, Arch Global Economics

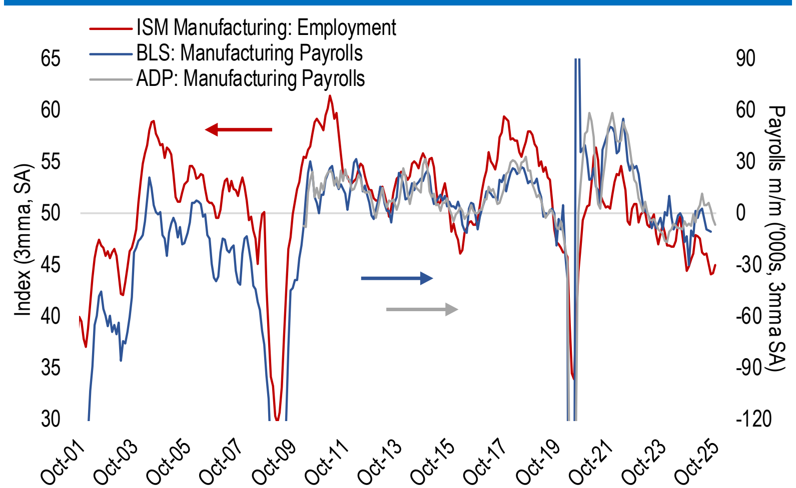
Manufacturing Output Flipped Back into Negative Territory as Services Sector Shows a Rekindling



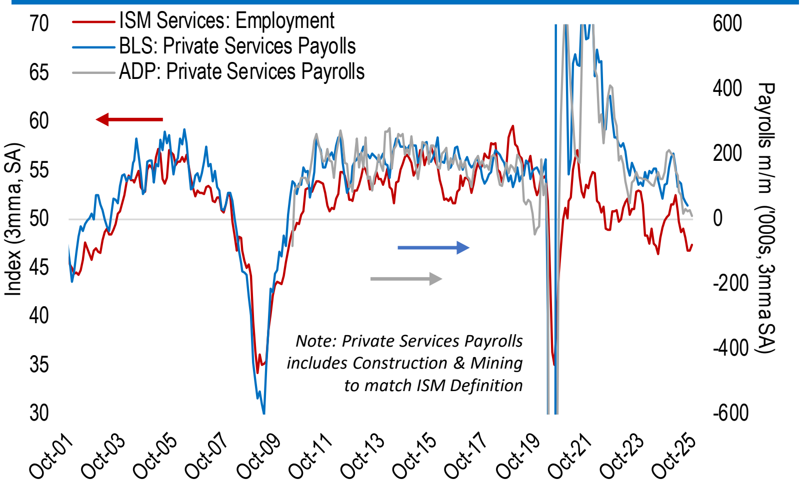
FRB Regional Manufacturing Surveys Point to Greater Resilience than the More Globally Exposed Firms in ISM



ISM Employment Index Shows Hints at Stabilization, Albeit at Very Weak Levels



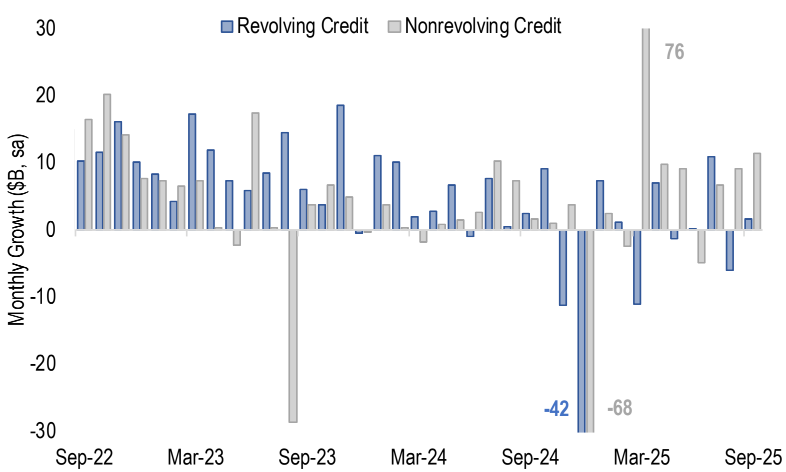
ISM Services Employment Likely Overstating Weakness Given Inclusion of Mining, Construction & Government



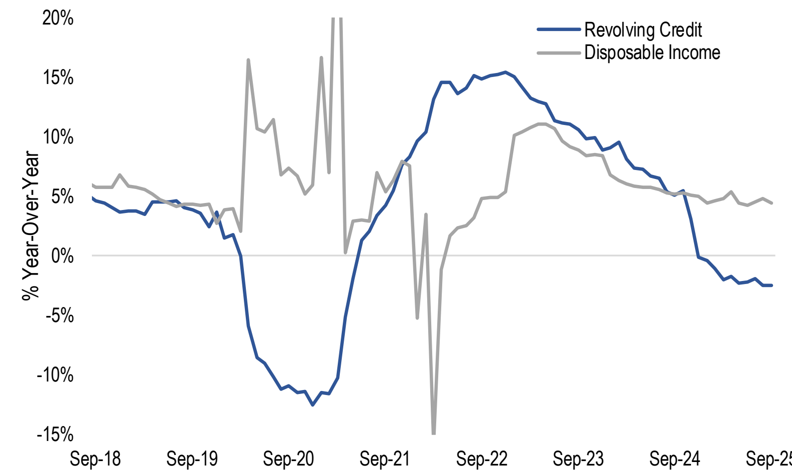
Sources: ISM, FRB, Census Bureau, BLS, Arch Global Economics

Note: Hard Data ISM only through August; Private Services Payrolls Includes Construction & Mining to Match ISM Definition.

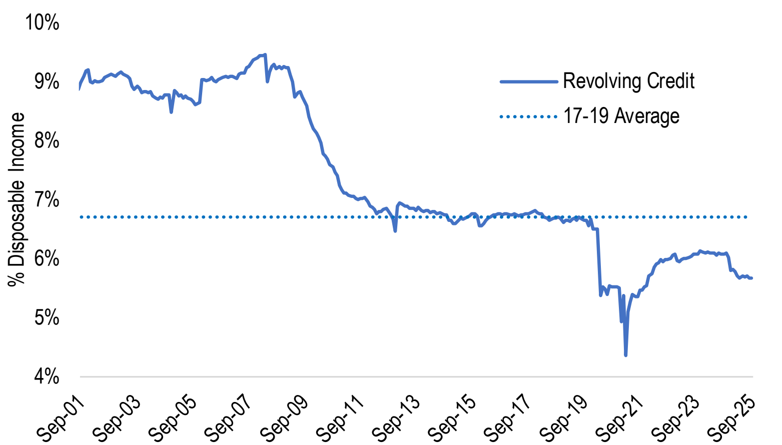
Revolving Credit Growth Remains Tepid, a Trend in Place Since Late Last Year



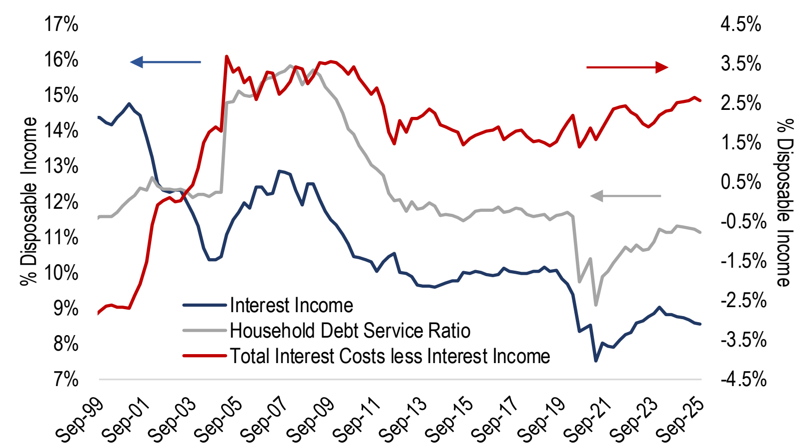
Longer-Term Downshift in Revolving Consumer Credit to Persist as Spending Growth Cools



Revolving Credit Relative to Disposable Income Stabilizing Well Below the Pre-Pandemic Norm

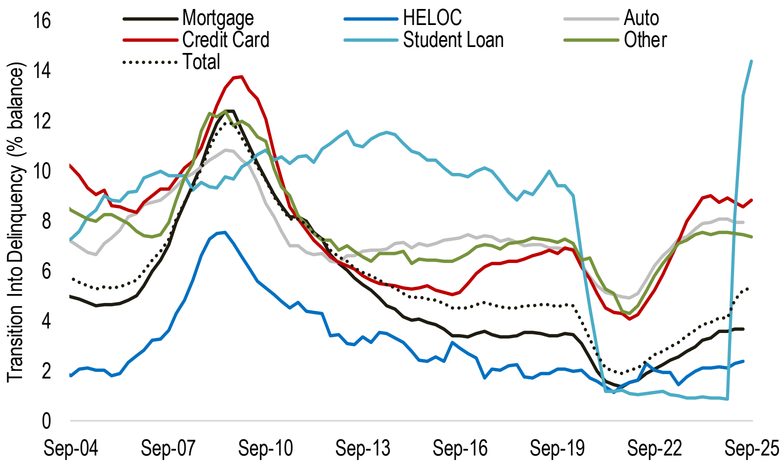


Household Interest Costs Rolling Over, Leading to Similar Dynamic in Debt Service Costs

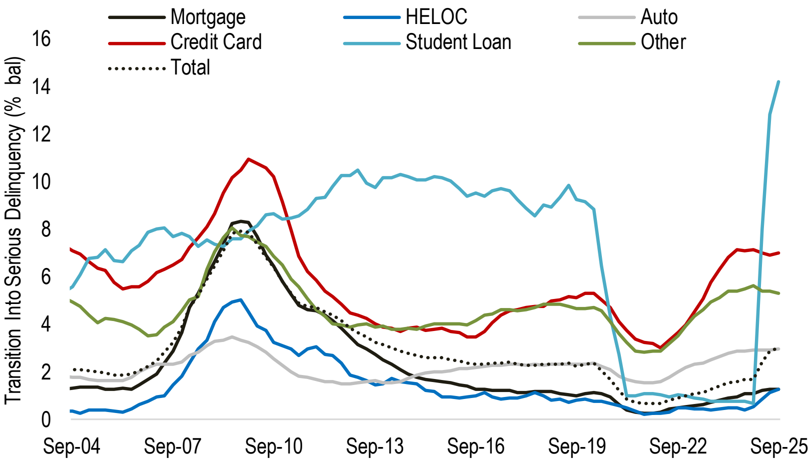


Sources: Federal Reserve Board, BEA, Arch Global Economics

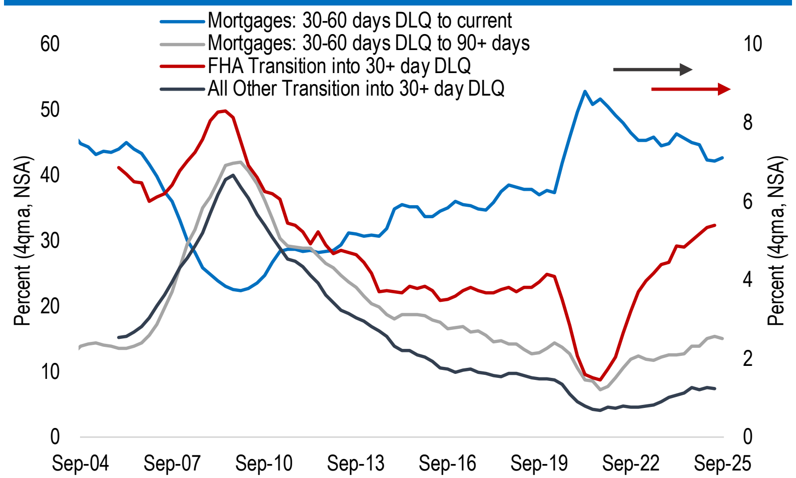
30-Day Delinquency Transition Rate Trends Have Largely Stabilized Apart From Student Loans



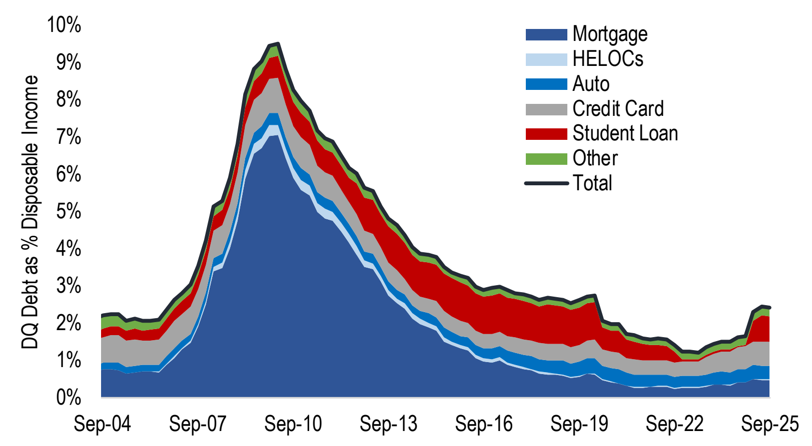
Student Loans an Outlier for Serious Delinquency (90+ days) Transition Rates Aside From Rise in Mortgages



Mortgage Delinquencies Concentrated in FHA/VA Loans: 20% of Total Balances, but 80% of Delinquency Flow

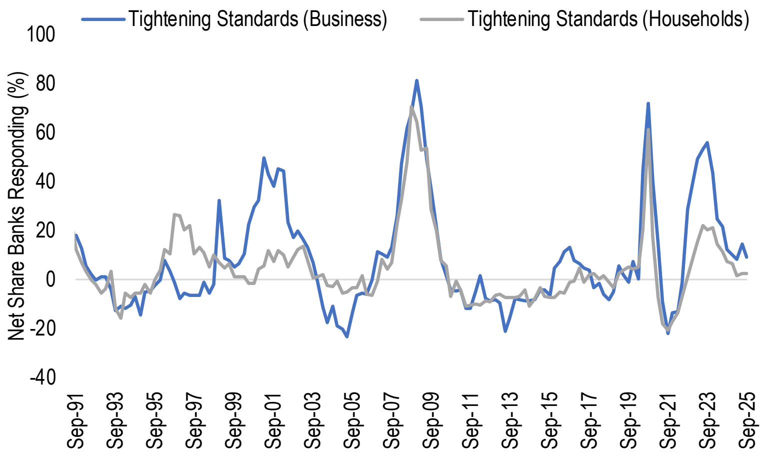


Total Delinquent Consumer and Mortgage Debt Remains Small Share of Income

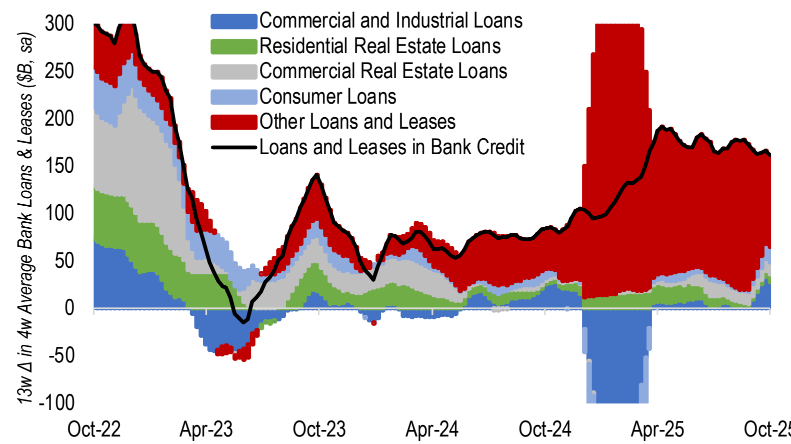


Sources: Federal Reserve Board, BEA, Arch Global Economics

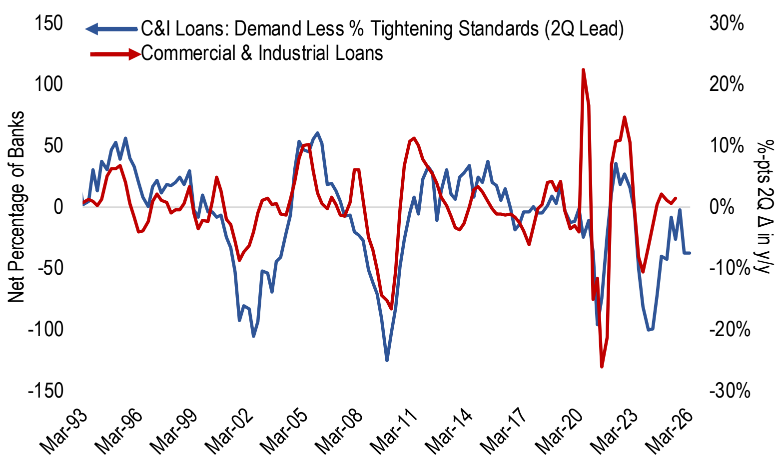
"Risk Aversion" Cited as Most Prevalent Reason by Banks in Keeping Credit Standards Tight



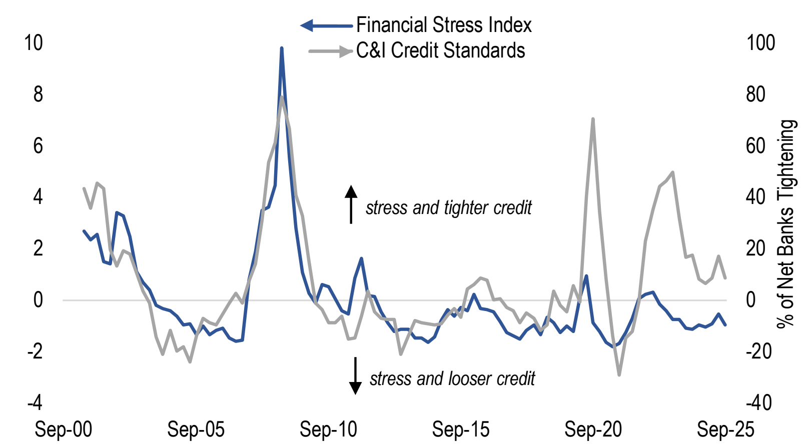
Bank Credit Impulse Fading Gradually Led by Mortgages and Other Loans and Leases



Tighter Credit and Weaker Demand Imply Weaker Business Loan Growth Ahead



Bank Credit Remaining Restrictive Juxtaposes Against Minimal Evidence of Financial Stress

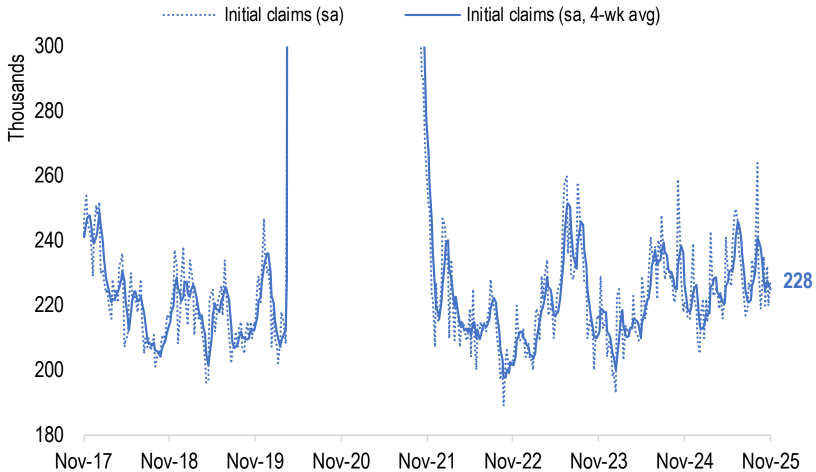


Sources: Federal Reserve Board, U.S. Treasury Department, Arch Global Economics

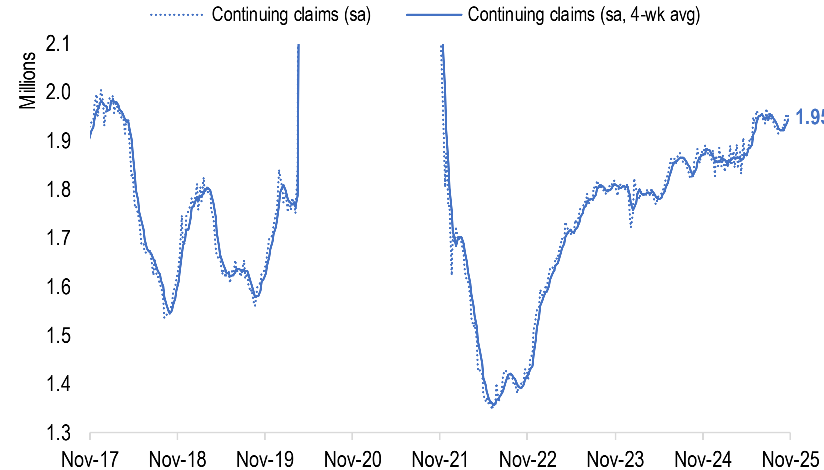
Last Week's Data in Charts

Jobless Claims

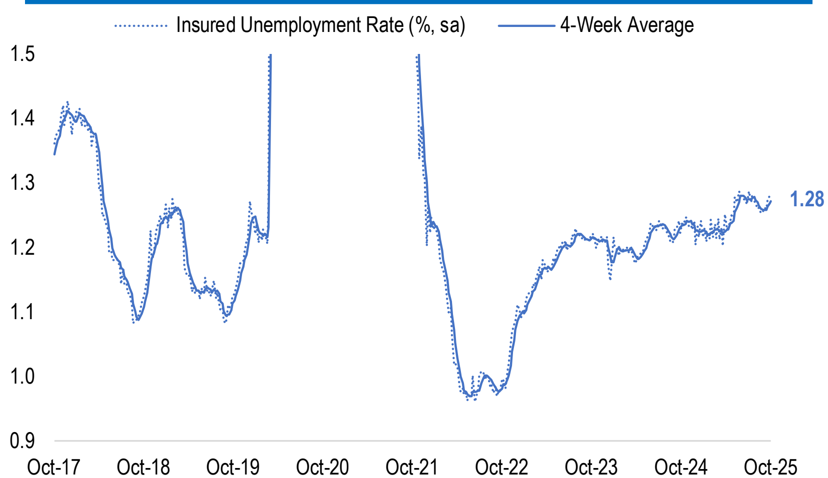
Initial Claims Rose to 228k (sa) in Week Ending Nov. 1, in Line with Post-Pandemic Average



Continuing Claims Settled at 1,952k (sa) during Week Ending Oct. 25, Below a Recent Cycle High

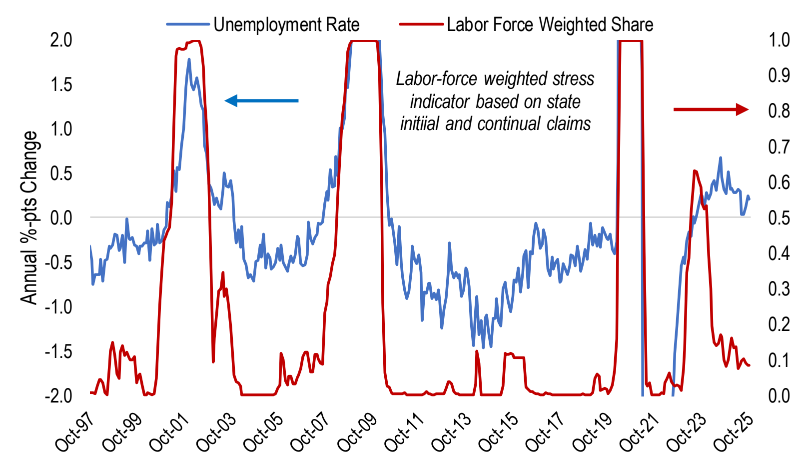


… Which Steadied the Insured Unemployment Rate, Just Below Recent Post-Pandemic High



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

San Francisco Fed Labor Market Stress Indicator Shows Reduced Breadth of States with Claims Deterioration

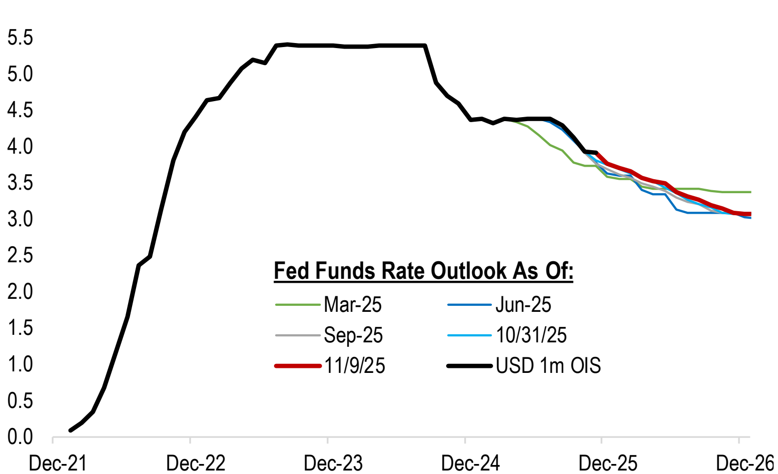


Sources: U.S. Department of Labor, Arch Global Economics

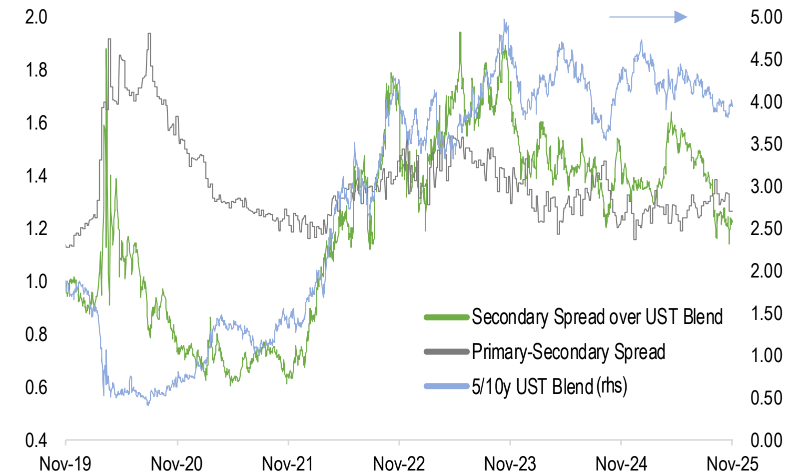
SA = Seasonally Adjusted

Note: Data based on Arch Global Economics' calculations given delayed DoL data.

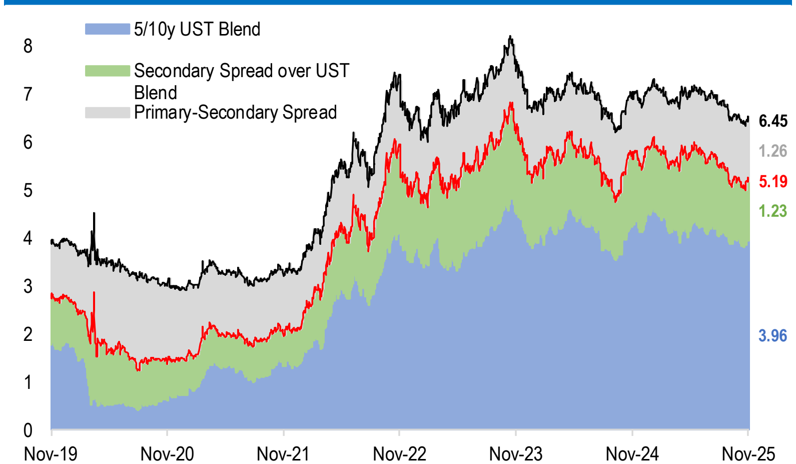
Market Odds of Another 25bps Rate Cut In Dec. Stabilizing at ~65%



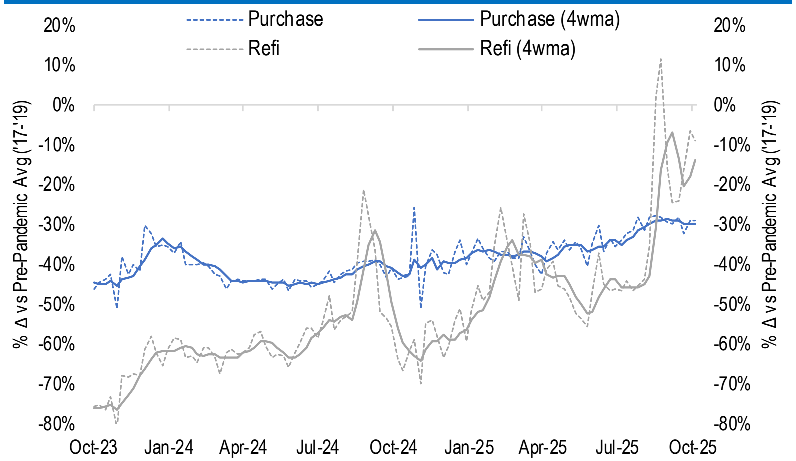
U.S. Treasury Yields Rose 3bps Last Week with Mortgage Spreads Roughly Flat …



… Which Kept Mortgage Rates within a Narrow Range, Ending the Week at 6.45%



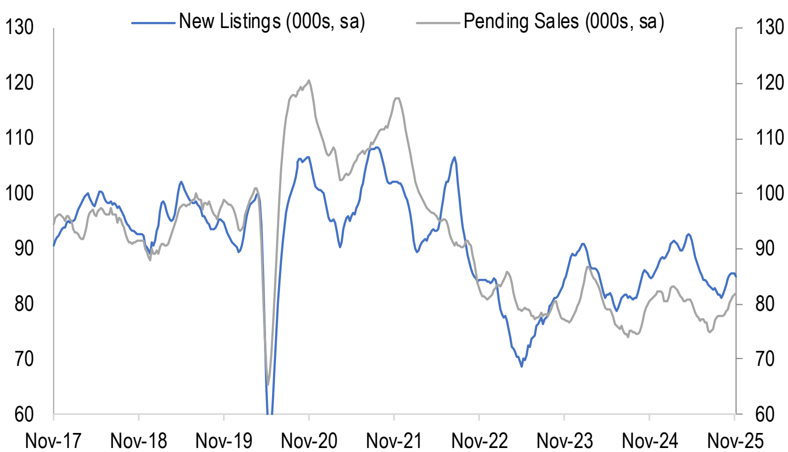
Mortgage Refi Apps Have Perked Back Up, but Purchase Apps Have Cooled despite Lower Rates



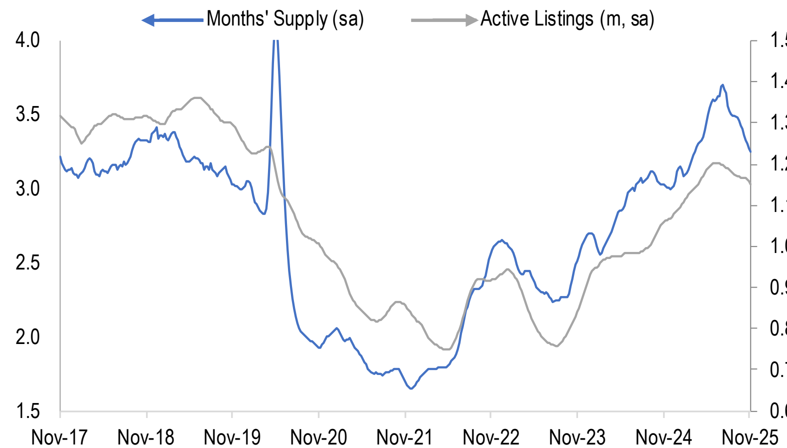
Secondary Spread: Current Coupon Option Adjusted Spread over 5/10y UST Blend
Primary-Secondary Spread: Primary Mortgage Rate - Secondary Mortgage Rate

Sources: Bloomberg, FRB, Mortgage Bankers Association, Arch Global Economics

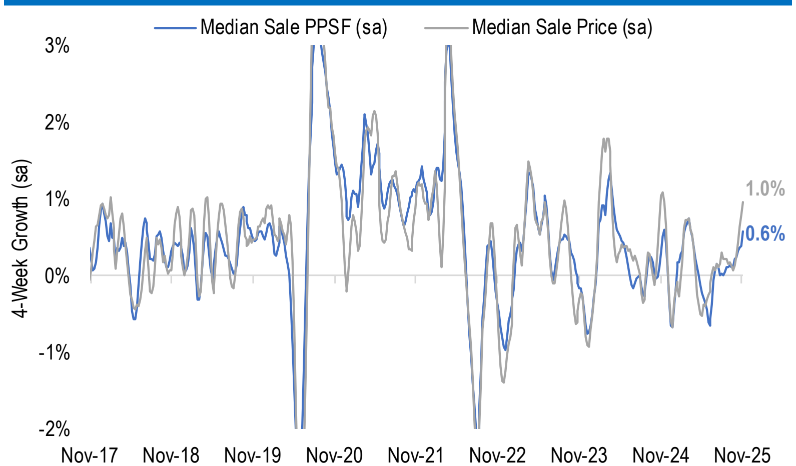
Pending Sales Continue to Grind Slowly Higher over the Prior Month …



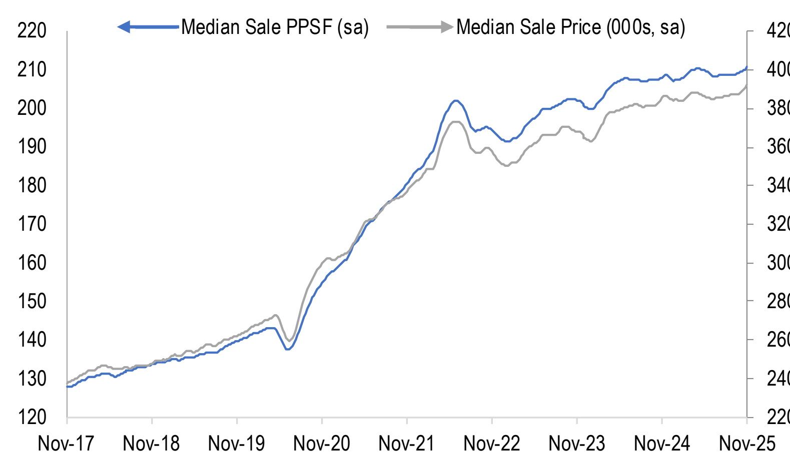
… Keeping Inventory in Check and Months' Supply Heading Lower



Pace of Seasonally Adjusted Home-Price Growth Continued to Accelerate into Early November



Home Prices Inched Higher in Q3, and That Momentum Has Carried into Q4



Sources: Redfin, Arch Global Economics

SA = Seasonally Adjusted
PPSF = Price Per Square Foot

Data as of Nov. 2, 2025, and reflects 4-week averages.

Annual Home-Price Declines Becoming More Widespread as Many Markets Have 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	1.5%	0.7%	3.4%	2.8%	8.8%	3.9%	98.3%	-0.4%	-5.3	-11.3	7%	9%	-2%
Atlanta	-2.3%	-0.5%	1.8%	2.1%	7.0%	2.3%	97.7%	-0.2%	25.0	12.3	4%	22%	9%
Austin	-1.7%	3.5%	1.6%	2.4%	8.6%	2.1%	96.9%	-0.1%	55.1	37.6	9%	105%	63%
Baltimore	3.1%	0.0%	3.7%	1.7%	7.1%	1.0%	100.2%	-0.2%	-6.0	-11.9	19%	-8%	-32%
Boston	2.7%	0.0%	3.1%	1.4%	6.9%	1.7%	100.5%	-0.8%	3.1	1.3	16%	3%	-15%
Chicago	5.1%	0.9%	7.1%	3.7%	4.3%	1.3%	99.4%	0.2%	-14.6	-14.0	-7%	-30%	-27%
Dallas	-4.2%	-0.9%	-0.2%	3.0%	9.0%	2.5%	97.2%	-0.2%	23.3	10.6	9%	53%	30%
Denver	-4.4%	-1.9%	1.5%	3.7%	9.0%	1.3%	98.5%	-0.3%	22.7	12.8	6%	88%	62%
Houston	-2.6%	-1.2%	1.1%	0.9%	7.9%	2.2%	95.9%	-1.2%	13.3	-2.6	9%	27%	11%
Los Angeles	-2.0%	-1.7%	3.3%	3.5%	4.6%	1.2%	99.4%	-0.8%	8.9	-0.8	5%	24%	20%
Miami	1.5%	3.8%	-1.1%	-0.9%	4.4%	1.2%	95.1%	-0.7%	28.6	3.6	6%	27%	13%
Minneapolis	1.8%	1.7%	3.1%	2.0%	7.8%	2.2%	99.6%	0.3%	-2.0	-2.0	-3%	10%	5%
Nashville	4.1%	3.0%	4.0%	2.0%	5.8%	2.3%	97.7%	-0.4%	15.5	5.5	10%	40%	16%
New York	3.8%	0.0%	4.4%	-0.5%	3.9%	0.6%	99.7%	-0.1%	-36.8	-44.2	6%	-18%	-30%
Phoenix	-1.8%	-0.6%	0.5%	2.4%	7.4%	1.5%	97.8%	-0.4%	24.7	14.1	10%	63%	48%
Portland	-1.9%	-1.8%	2.7%	3.4%	8.0%	1.4%	99.0%	-0.6%	14.8	5.3	10%	41%	22%
Riverside	-1.0%	-0.7%	1.7%	2.7%	5.3%	1.4%	98.8%	-0.4%	6.4	-7.8	2%	16%	18%
San Diego	-4.1%	-1.9%	1.0%	2.7%	6.2%	1.5%	98.7%	-0.5%	9.6	-0.9	4%	8%	3%
Seattle	1.5%	4.0%	1.2%	0.8%	7.8%	1.8%	99.1%	-0.8%	5.0	-2.6	17%	31%	0%
Tampa	2.0%	5.1%	5.0%	4.0%	8.3%	2.8%	96.9%	-0.2%	19.9	9.6	5%	63%	132%
Washington DC	0.2%	-1.5%	3.4%	0.8%	5.8%	1.3%	99.4%	-0.8%	7.6	-0.8	22%	19%	-9%

Data as of Nov. 2, 2025, and reflects 4-week averages.

Sources: Redfin, Arch Global Economics

Upcoming Data Releases

Key economic and housing data releases for the coming week:

Date	Time	Indicator	Period	Actual	Consensus	Revised	Prior	Note
11/11/25	6:00 AM	NFIB Small Business Optimism	Oct	--	98.5	--	98.8	index, sa
11/12/25	7:00 AM	MBA Mortgage Applications w/w	Nov 7	--	--	--	-1.9	%, sa
11/13/25	8:30 AM	Initial Jobless Claims	Nov 8	--	225	--	--	k, sa
11/13/25	8:30 AM	CPI m/m	Oct	--	0.2	--	0.3	%, sa
11/13/25	8:30 AM	CPI Core (ex Food and Energy) m/m	Oct	--	0.3	--	0.2	%, sa
11/13/25	8:30 AM	CPI y/y	Oct	--	3.0	--	3.0	%, nsa
11/13/25	8:30 AM	CPI Core (ex Food and Energy) y/y	Oct	--	3.0	--	3.0	%, nsa
11/13/25	8:30 AM	Continuing Claims	Nov 1	--	--	--	--	k, sa
11/14/25	8:30 AM	Advance Retail Sales m/m	Oct	--	-0.2	--	--	%, sa
11/14/25	8:30 AM	Retail Sales Control Group m/m	Oct	--	0.3	--	--	%, sa
11/14/25	8:30 AM	PPI Final Demand m/m	Oct	--	0.2	--	--	%, sa
11/14/25	8:30 AM	PPI Core (ex Food and Energy) m/m	Oct	--	0.3	--	--	%, sa
11/14/25	8:30 AM	PPI Final Demand y/y	Oct	--	2.5	--	--	%, nsa
11/14/25	8:30 AM	PPI Core (ex Food and Energy) y/y	Oct	--	2.6	--	--	%, nsa
11/14/25	10:00 AM	Business Inventories m/m	Sep	--	0.2	--	--	%, sa

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

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
11/3/25	10:00 AM	Wards Total Vehicle Sales	Oct	**15.3**	15.5	--	16.4	m, saar
11/3/25	9:45 AM	S&P Global US Manufacturing PMI	Oct F	**52.5**	52.2	--	52.2	index, sa
11/3/25	10:00 AM	ISM Manufacturing	Oct	**48.7**	49.5	--	49.1	index, sa
11/3/25	10:00 AM	ISM Prices Paid	Oct	**58.0**	62.5	--	61.9	index, nsa
11/5/25	7:00 AM	MBA Mortgage Applications w/w	Oct 31	**-1.9**	--	--	7.1	%, sa
11/5/25	8:15 AM	ADP Employment m/m	Oct	**42**	30	-29	-32	k, sa
11/5/25	9:45 AM	S&P Global US Services PMI	Oct F	**54.8**	55.2	--	55.2	index, sa
11/5/25	9:45 AM	S&P Global US Composite PMI	Oct F	**54.6**	54.9	--	54.8	index, sa
11/5/25	10:00 AM	ISM Services Index	Oct	**52.4**	50.8	--	50.0	index, nsa
11/7/25	10:00 AM	U. of Mich. Sentiment	Nov P	**50.3**	53	--	53.6	index, nsa
11/7/25	10:00 AM	U. of Mich. 1 Yr Inflation	Nov P	4.7	4.6	--	4.6	nsa
11/7/25	10:00 AM	U. of Mich. 5-10 Yr Inflation	Nov P	3.6	3.8	--	3.9	nsa
11/7/25	11:00 AM	NY Fed 1-Yr Inflation Expectations	Oct	3.2	--	--	3.4	%
11/7/25	3:00 PM	Consumer Credit m/m	Sep	**13.1**	10.2	3.1	0.4	$B, sa

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

Sources: Bloomberg Consensus Survey of Economists, Arch Global Economics