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HaMMR Digest

Stay current with economic and mortgage market trends.

November 17, 2025

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Clearer Skies, Eventually

- **Key Takeaway:** The end of the government shutdown will see official data return, but questions remain around timeline and quality.
- **Macro Implications:** Fed is unlikely to have a clear picture of the economy by December with recent messaging leaning strongly for a hold on the policy rate.
- **Housing Implications:** Buyer and seller uncertainty may have eased post-shutdown, but housing activity is likely to remain muted.

Macro: Tariff Man's Remorse

- Data returns post-shutdown, albeit delayed and with quality concerns.
- White House set to rollback tariffs on select food staples to ease price pressures.
- State claims show little evidence that announced layoffs have materialized.

Rates: Will They, or Won't They?

- 10y yield whipsawed as markets underwent a risk repricing that spiked volatility.
- Hawkish Fed messaging steepened the yield curve as rate cut expectations faded.
- Market odds of a Dec. Fed cut sub-50%; roughly three cuts priced for 2026.

Housing: In Loving ARMs

- Mortgage rates settling around 6.3% and unlikely to materially shift from here.
- Government shutdown negatively impacted new listings more than pending sales.
- ARM share of apps rising given the lower offered rate that improves affordability.

Alt Inflation Data: Still on the Firmer Side

- Headline consumer inflation likely running at 3.0% annual pace in October.
- Goods price pressures remain tilted to the upside in the near term.
- Food at home price pressures may be easing while energy heads higher.

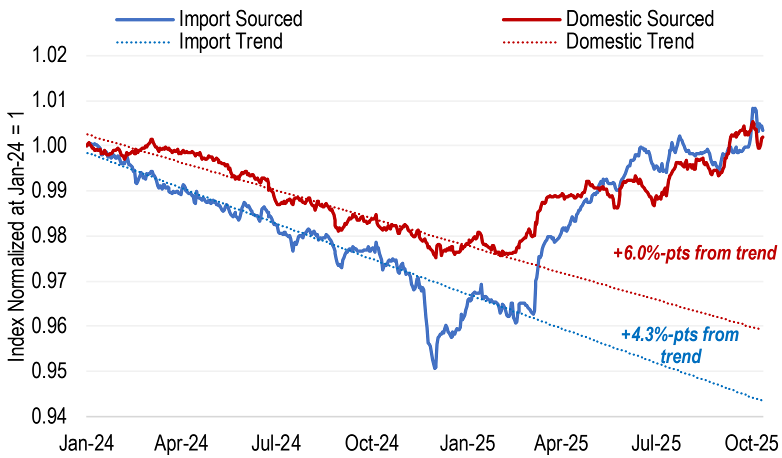
Alt Retail Sales: Win Some, Lose Some

- Leading CARTS data suggests real retail sales were steady in October.
- Volatile Bloomberg card data points to more weakness led by restaurants.
- Airport traffic volume took a step back through early November.

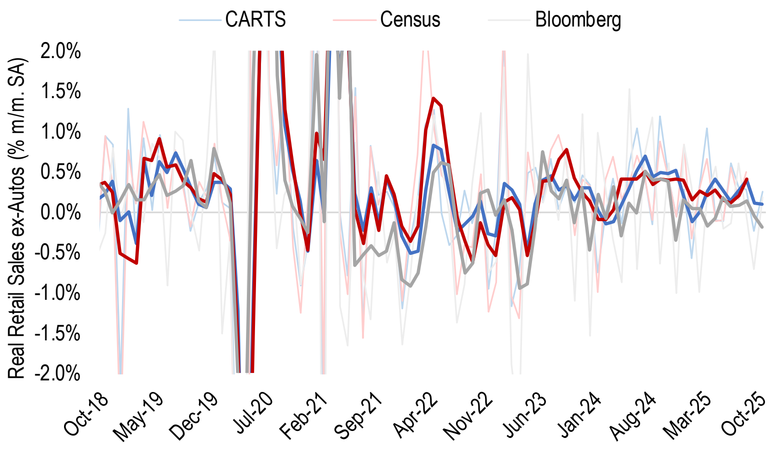
Small Business Optimism: Feeling the Pressure

- NFIB Optimism index hit multi-month low amid weak sales and earnings.
- Firms facing uneven cost environment with fewer able to raise prices.
- Hiring plans remain steady but "labor quality" increasingly a problem.

Goods Sold at Major U.S. Retailers Show Price Pressures on Both Domestic and Imported Items

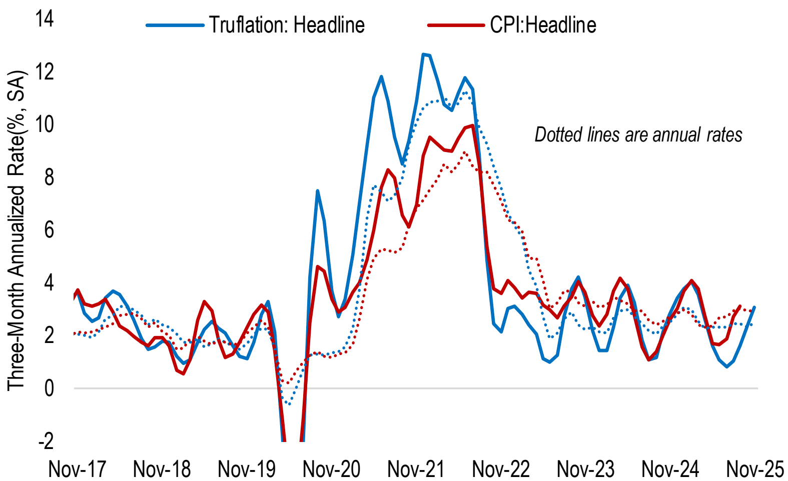


Alt Retail Sales Data Suggests a Step Down for October Consumer Spending Growth

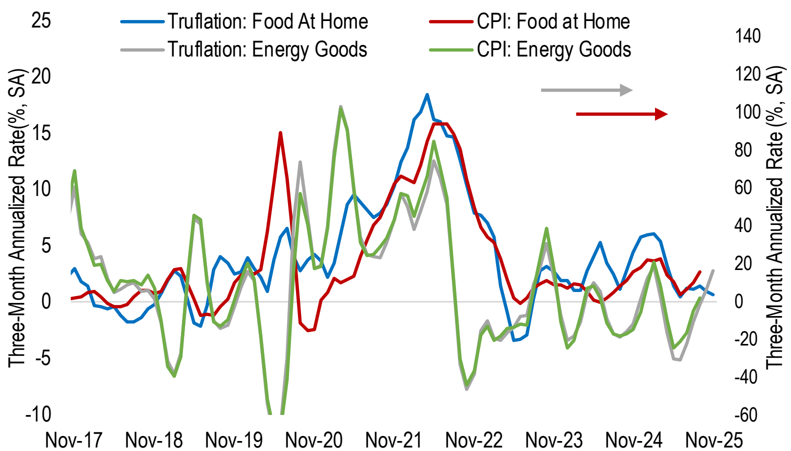


Sources: Bureau of Labor Statistics, Census Bureau, Federal Reserve Board, Bloomberg, Cavallo, Llamas, & Vazquez (2025), Arch Global Economics

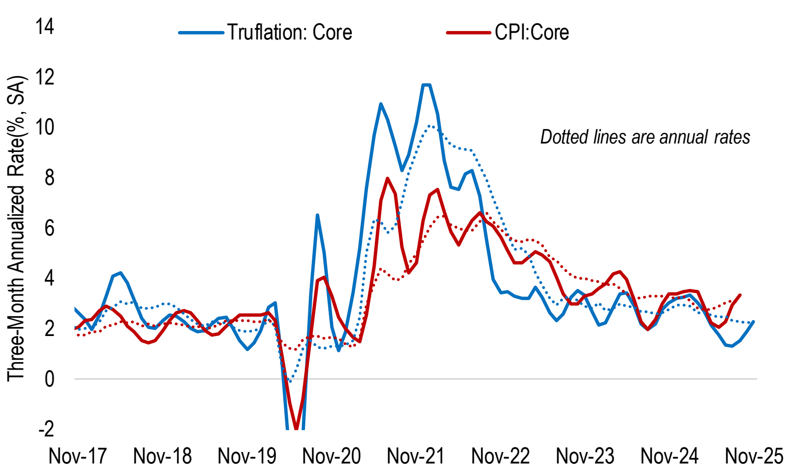
Truflation Measure of Headline Consumer Inflation Shows Firming Momentum over Prior Three-Months



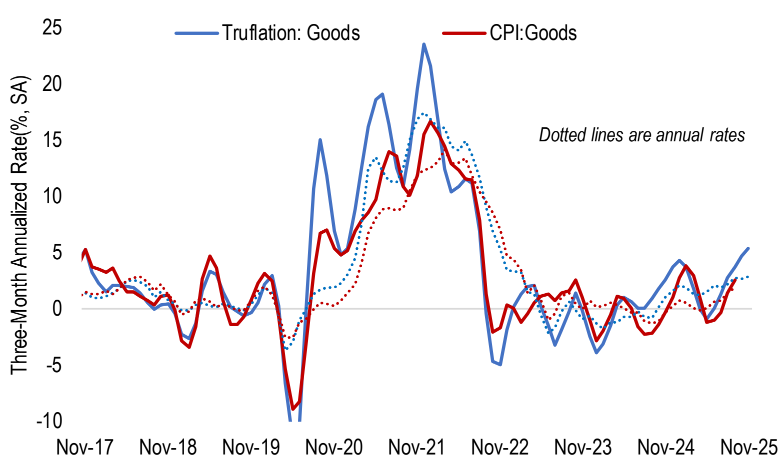
Measures of Grocery Prices Look to Be Cooling While Fuel Costs Are Heading in the Opposite Direction



Alt Core Showing a Similar Strengthening Despite Including Market Measures of Shelter Costs



Goods Prices as Measured by Truflation Showing Strength Not Seen Since 2022



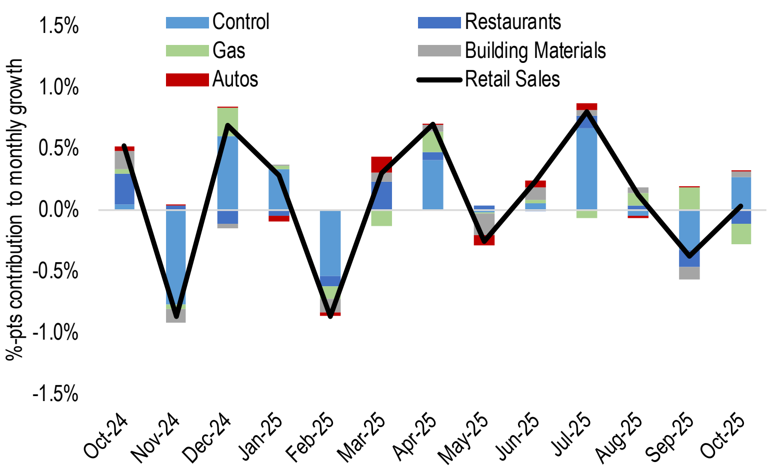
Sources: Bloomberg, U.S. Bureau of Labor Statistics (BLS), Arch Global Economics

BLS CPI data through September

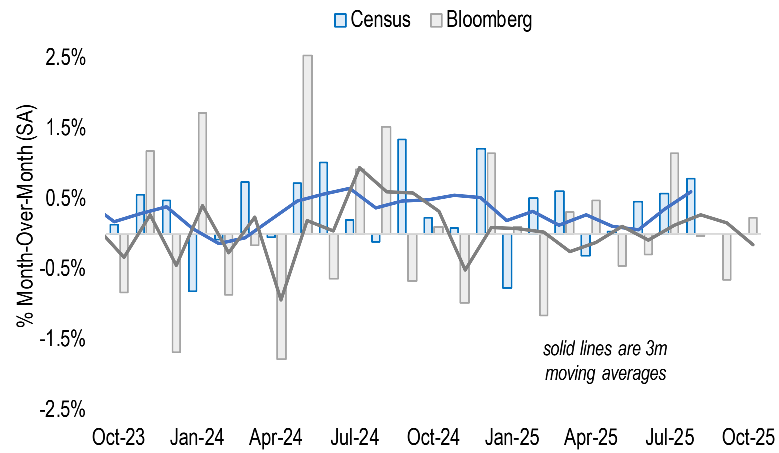
Last Week's Data in Charts

Alternative Data for Retail Sales

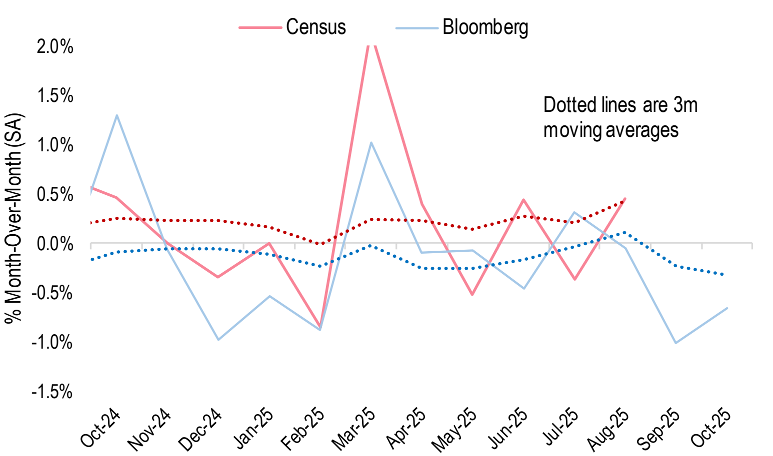
Bloomberg Measure of Nominal Retail Sales Rebounded in October While Overall Trend Remained Weak



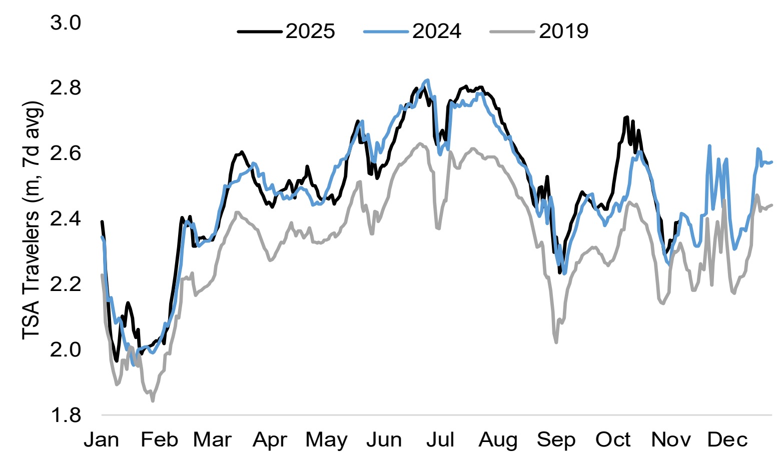
Real Control Group Sales Took a Leg Up In October But Not Enough to Offset the Dip in the Prior Month



Real Restaurant Spending Has Remained Soft Based on Bloomberg Spending Tracker



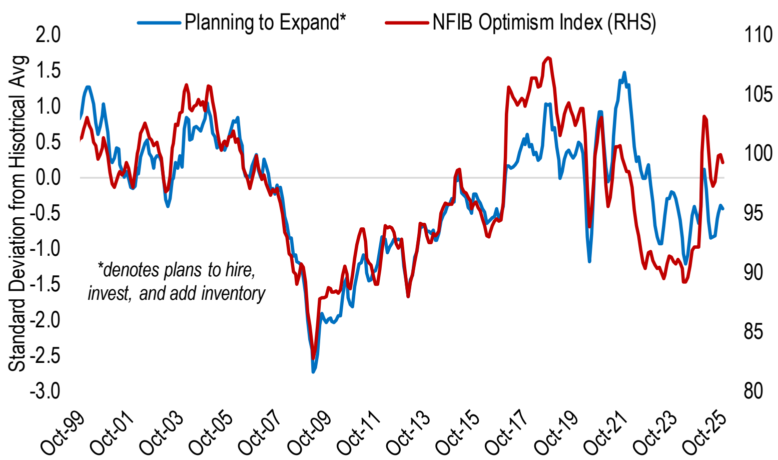
Despite Disruption by the Government Shutdown, Airport Traffic is Par With Last Year



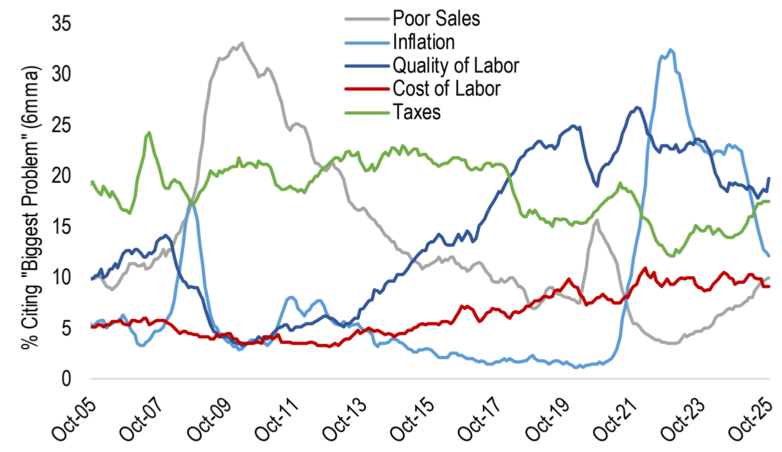
Note: **"Control Group"** = Retail sales excludes autos, gas, building materials and restaurants. SA = Seasonally Adjusted

Sources: Bloomberg Consumer Spending Data, U.S. Census Bureau, U.S. Bureau of Labor Statistics (BLS), TSA, Arch Global Economics

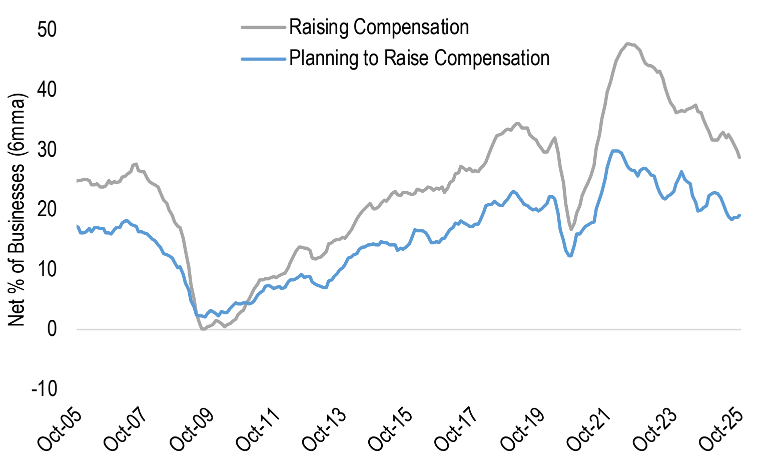
Small Business Plans to Expand Have Turned Lower after a Period of Improvement



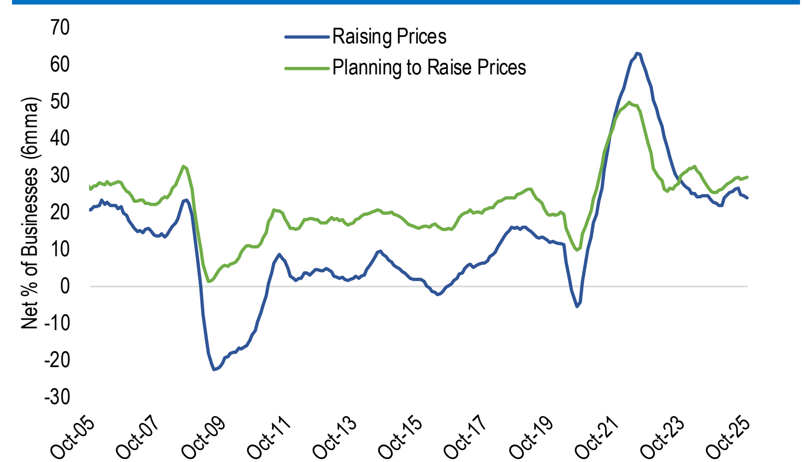
"Poor Sales" Cited as "Biggest Problem" Looks to Be Cresting, but "Labor Quality" is Rising



Firms Holding the Line on Labor Costs but Plan on Raising Compensation Given Labor Supply Constraints



Share of Firms Raising Prices Pivoted Lower Suggesting Inability or Reluctance to Pass Along Costs

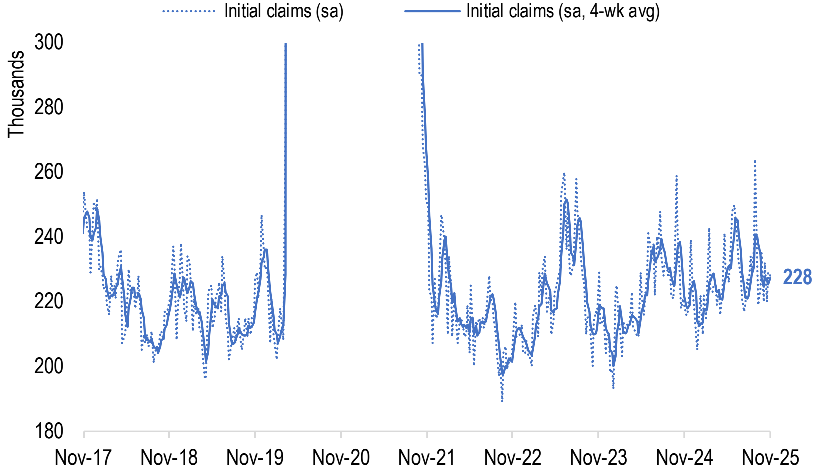


Sources: NFIB, Arch Global Economics

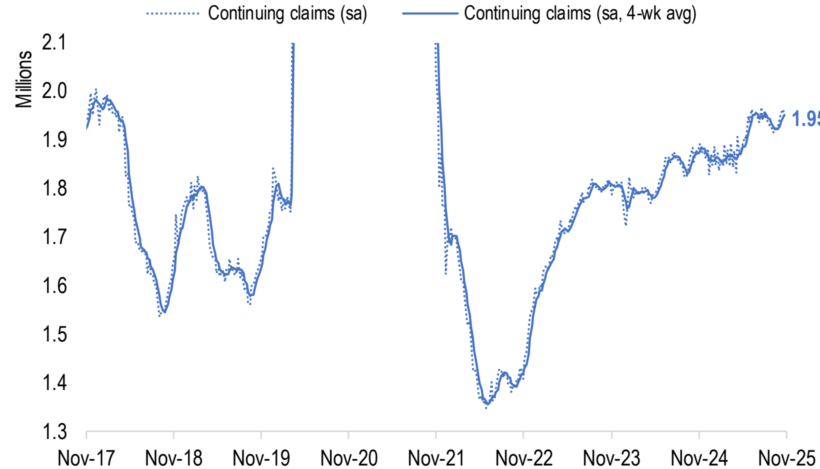
Last Week's Data in Charts

Jobless Claims

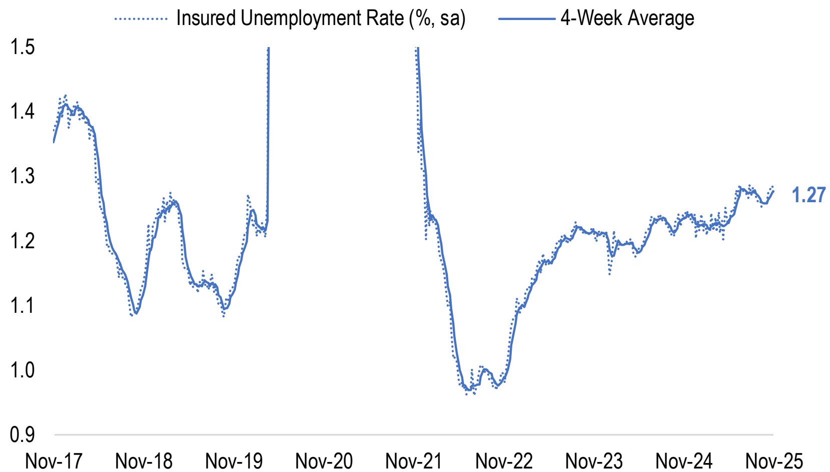
Initial Claims Remained Stable at 228k (sa) in Week Ending Nov. 8, in Line with Post-Pandemic Average



Continuing Claims Fell to 1,946k (sa) during Week Ending Nov. 1, Reversing Last Week's Uptick

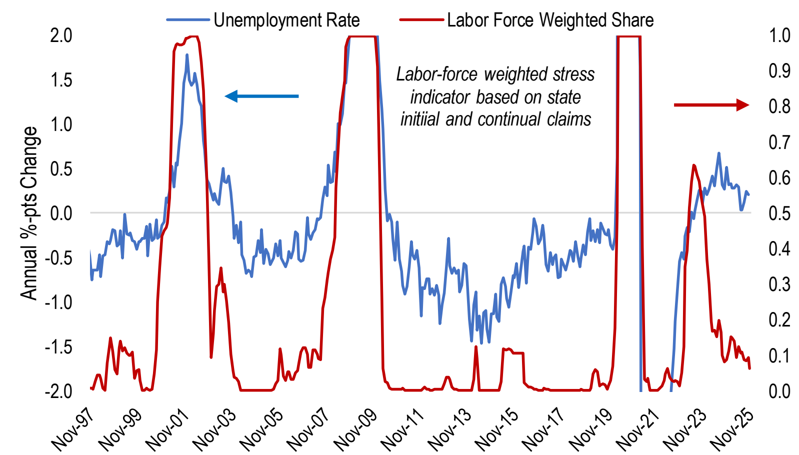


… Which Pulled the Insured Unemployment Rate Lower, Just Below Recent Post-Pandemic High



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

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

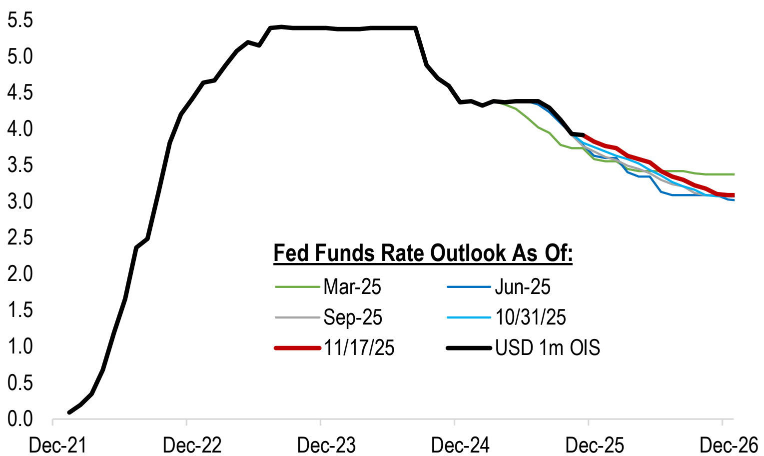


Note: Data based on Arch Global Economics' calculations given delayed DoL data.

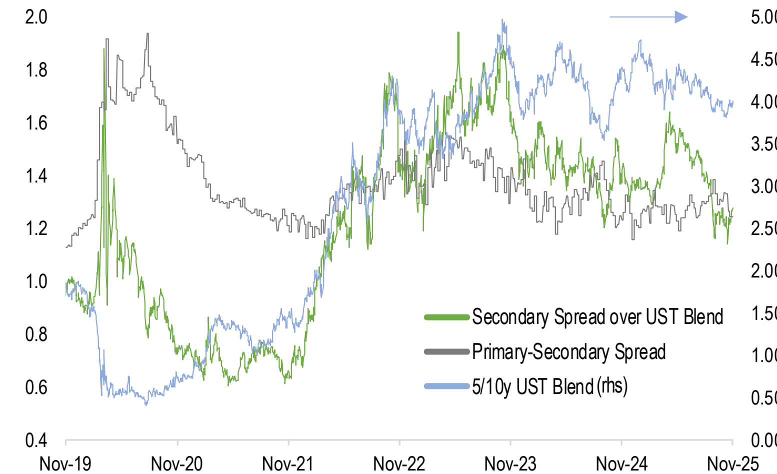
Sources: U.S. Department of Labor, Arch Global Economics

SA = Seasonally Adjusted

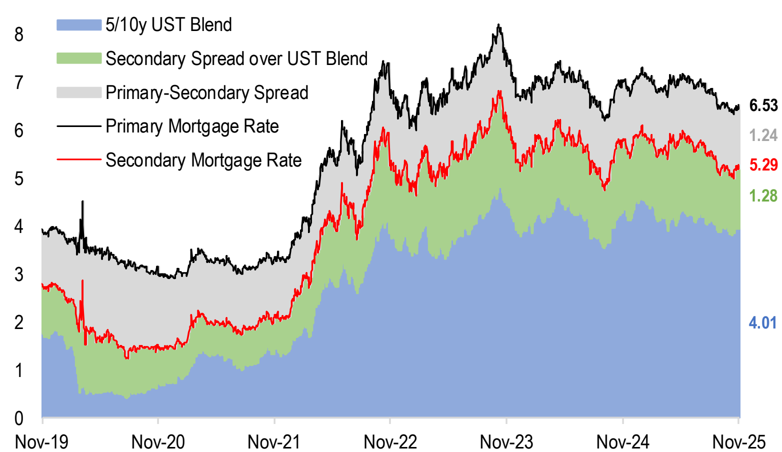
Market Odds of Another 25bps Rate Cut in December Fell below 50%



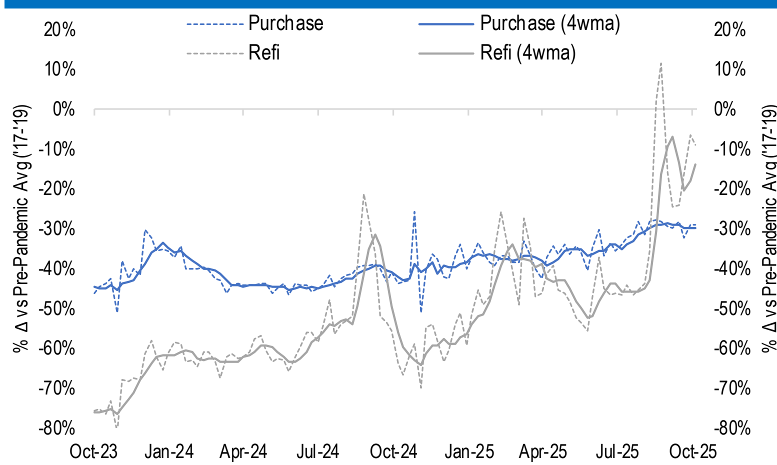
U.S. Treasury Yields Rose 5bps Last Week with Mortgage Spreads Up an Equal Amount …



… Which Lifted Mortgage Rates by 10bps, Ending the Week at 6.53%



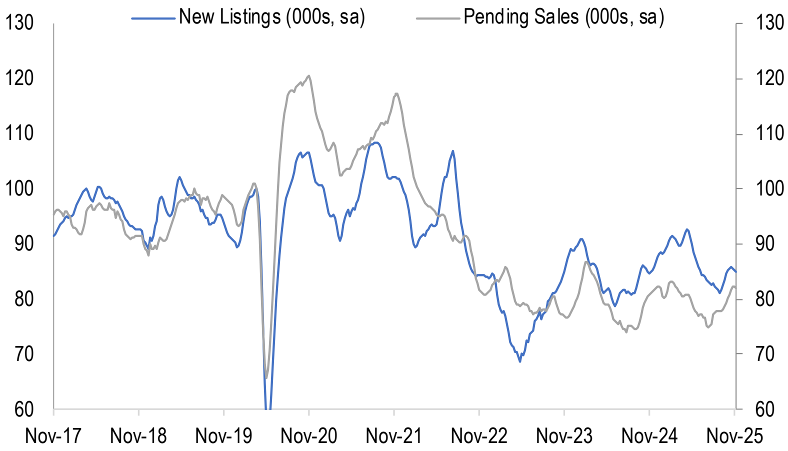
Mortgage Refi Apps Have Perked Back Up, but Purchase Apps Have Cooled Despite Lower Rates



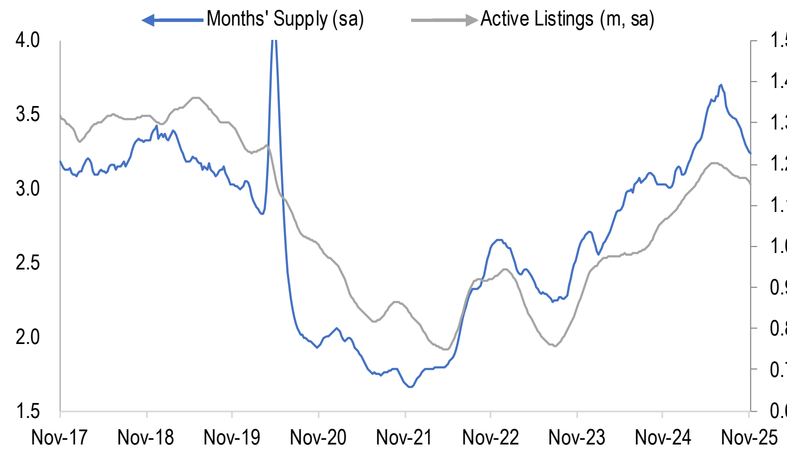
Sources: Bloomberg, FRB, Mortgage Bankers Association, Arch Global Economics

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

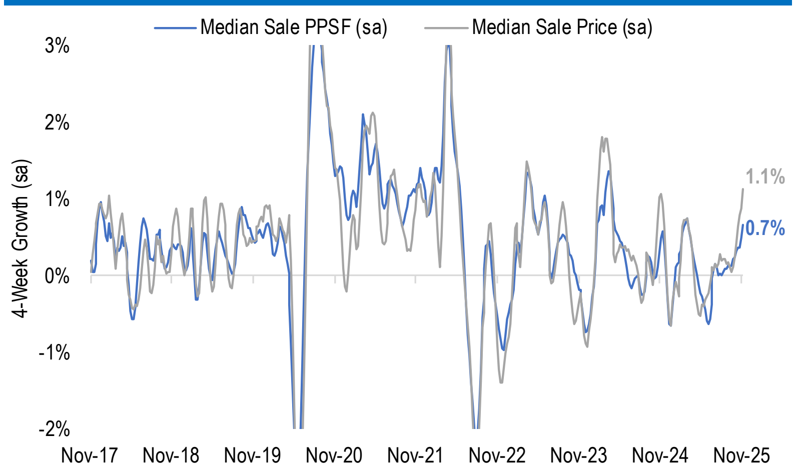
Pending Sales Showing Signs of Pulling Back Through Early November …



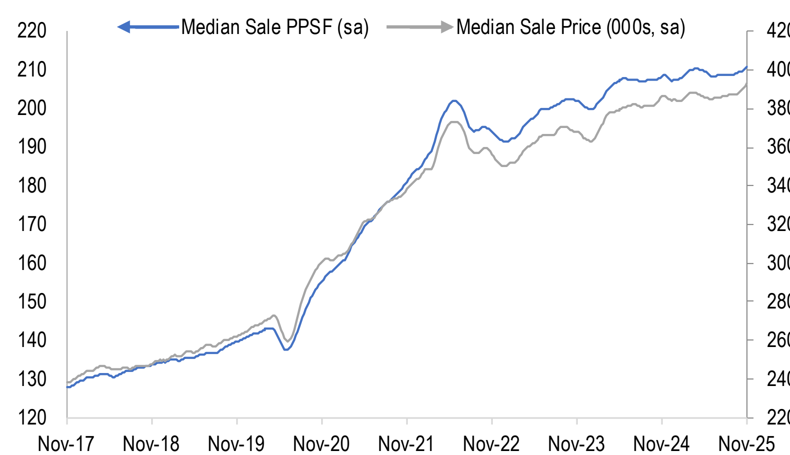
… With New Listings Pulling Back Even More, Keeping Months' Supply Heading Lower



Pace of Seasonally Adjusted Home-Price Growth Showing No Signs of Cooling



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. 9, 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	1.4%	0.5%	2.9%	2.2%	8.2%	3.3%	98.3%	-0.4%	-5.4	-11.2	6%	8%	-3%
Atlanta	-2.0%	-0.4%	2.1%	2.5%	6.8%	2.3%	97.7%	-0.3%	24.3	12.8	3%	25%	10%
Austin	-1.0%	2.8%	2.0%	2.2%	8.6%	2.2%	96.9%	-0.2%	52.9	37.0	9%	108%	63%
Baltimore	2.5%	-0.1%	2.8%	1.4%	7.1%	1.3%	100.2%	-0.5%	-7.0	-14.2	19%	-13%	-33%
Boston	2.5%	0.0%	2.7%	0.1%	6.8%	2.0%	100.3%	-1.0%	3.4	1.7	16%	4%	-11%
Chicago	4.8%	0.7%	7.4%	4.3%	4.2%	1.3%	99.2%	0.0%	-14.3	-14.1	-7%	-30%	-27%
Dallas	-5.1%	-1.1%	-0.4%	3.1%	9.2%	3.0%	97.2%	-0.3%	20.9	10.3	9%	47%	27%
Denver	-3.4%	-1.2%	0.5%	2.4%	8.8%	1.8%	98.5%	-0.3%	21.6	13.4	6%	88%	66%
Houston	-2.0%	-0.7%	1.9%	1.3%	7.5%	2.0%	95.9%	-1.2%	14.8	-4.0	8%	28%	16%
Los Angeles	-1.2%	-1.7%	4.0%	3.6%	4.6%	1.4%	99.5%	-0.6%	9.0	-0.6	4%	23%	20%
Miami	3.4%	5.3%	-0.7%	1.0%	4.3%	1.1%	94.9%	-0.8%	28.9	0.4	5%	27%	5%
Minneapolis	1.6%	1.7%	3.0%	1.1%	7.8%	2.3%	99.4%	0.1%	-2.0	-1.5	-2%	7%	5%
Nashville	1.8%	0.6%	4.2%	1.5%	5.7%	2.4%	97.7%	-0.4%	14.8	5.6	10%	38%	15%
New York	4.9%	1.7%	4.2%	-1.4%	3.9%	0.6%	99.7%	0.0%	-37.9	-44.8	5%	-20%	-29%
Phoenix	-1.9%	-0.7%	0.4%	1.9%	7.5%	1.6%	97.9%	-0.4%	23.2	13.2	9%	58%	48%
Portland	-0.6%	0.2%	2.1%	3.5%	7.8%	1.7%	99.1%	-0.4%	12.5	5.2	7%	38%	20%
Riverside	-0.6%	0.3%	1.7%	2.5%	5.3%	1.6%	98.7%	-0.5%	5.0	-6.3	1%	12%	18%
San Diego	-4.1%	-1.2%	2.1%	3.4%	6.0%	1.5%	98.6%	-0.6%	7.9	-0.3	3%	5%	0%
Seattle	-0.2%	0.0%	1.2%	0.4%	7.6%	2.0%	99.2%	-0.7%	6.2	-1.3	17%	32%	0%
Tampa	1.4%	4.0%	3.5%	3.6%	8.4%	1.4%	96.7%	-0.5%	21.8	11.5	4%	59%	42%
Washington DC	-0.3%	-1.9%	3.0%	0.8%	5.6%	1.4%	99.3%	-0.7%	8.1	-1.3	21%	17%	-9%

Data as of Nov. 9, 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
11/17/25	8:30 AM	Empire Manufacturing	Nov	18.7	5.8	--	10.7	index, sa
11/17/25	10:00 AM	Construction Spending m/m	Aug	0.2%	0	0.0	0	%, sa
11/18/25	10:00 AM	NAHB Housing Market Index	Nov	--	37	--	37	index, sa
11/18/25	10:00 AM	Factory Orders m/m	Aug	--	1.4%	--	-1.3%	%, sa
11/18/25	10:00 AM	Factory Orders Ex Trans m/m	Aug	--	0.3%	--	0.6%	%, sa
11/18/25	10:00 AM	Durable Goods Orders m/m	Aug F	--	2.9%	--	2.9%	%, sa
11/18/25	10:00 AM	Durables Ex Transportation m/m	Aug F	--	0.4%	--	0.4%	%, sa
11/18/25	10:00 AM	Cap Goods Orders Nondef Ex Air m/m	Aug F	--	0.6%	--	0.6%	%, sa
11/18/25	10:00 AM	Cap Goods Ship Nondef Ex Air m/m	Aug F	--	--	--	-0.3%	%, sa
11/19/25	7:00 AM	MBA Mortgage Applications w/w	Nov 14	--	--	--	0.0	%, sa
11/19/25	8:30 AM	Trade Balance	Aug	--	-60.7	--	-78.3	$, sa
11/19/25	2:00 PM	FOMC Meeting Minutes	Oct 29	--	--	--	--	minutes
11/20/25	8:30 AM	Initial Jobless Claims	Nov 15	--	226	--	--	k, sa
11/20/25	8:30 AM	Continuing Claims	Nov 8	--	1,940	--	--	k, sa
11/20/25	8:30 AM	Change in Nonfarm Payrolls m/m	Sep	--	58	--	22	k, sa
11/20/25	8:30 AM	Two-Month Payroll Net Revision	Sep	--	--	--	-21	k, sa
11/20/25	8:30 AM	Change in Private Payrolls m/m	Sep	--	70	--	38	k, sa
11/20/25	8:30 AM	Unemployment Rate	Sep	--	4.3%	--	4.3%	%, sa
11/20/25	8:30 AM	Labor Force Participation Rate	Sep	--	62.3%	--	62.3%	%, sa
11/20/25	8:30 AM	Average Hourly Earnings m/m	Sep	--	0.3%	--	0.3%	%, sa
11/20/25	8:30 AM	Average Hourly Earnings y/y	Sep	--	0.0	--	0.0	%, sa
11/20/25	8:30 AM	Average Weekly Hours All Employees	Sep	--	34.2	--	34.2	#, sa
11/20/25	8:30 AM	Philadelphia Fed Business Outlook	Nov	--	0.0	--	-12.8	index, sa
11/20/25	10:00 AM	Existing Home Sales	Oct	--	4.09	--	4.06	m, sa
11/20/25	10:00 AM	Existing Home Sales m/m	Oct	--	0.7%	--	1.5%	%, 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
11/11/25	6:00 AM	NFIB Small Business Optimism	Oct	**98.2**	98.3	--	98.8	index, sa
11/12/25	7:00 AM	MBA Mortgage Applications w/w	Nov 7	**0.6**	--	--	-1.9	%, sa
11/13/25	8:30 AM	Jobless Claims Report	Nov 8	**--**	--	--	--	k, sa
11/13/25	8:30 AM	CPI m/m	Oct	**--**	--	--	--	%, sa
11/13/25	8:30 AM	Real Avg Earnings m/m	Oct	**--**	--	--	--	%, sa
11/14/25	8:30 AM	Retail Sales m/m	Oct	**--**	--	--	--	%, sa
11/14/25	8:30 AM	PPI m/m	Oct	**--**	--	--	--	%, sa
11/14/25	10:00 AM	Business Inventories m/m	Sep	**--**	--	--	--	%, sa

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

Sources: Bloomberg Consensus Survey of Economists, Arch Global Economics