

HaMMR Digest

Stay current with economic and mortgage market trends.

March 2, 2026

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Scarier Headlines. Macro Still Steady(ish) — For Now.

- **Key Takeaway:** Incoming data point to economic activity gradually firming, even as geopolitical risks rise following leadership shocks in Venezuela and Iran.
- **Macro Implications:** Geopolitics aside, firm activity data stand in contrast to AI-displacement concerns that have contributed to the recent rally in rates.
- **Housing Implications:** Lower UST yields pushed mortgage rates just below 6% (PMMS), with the effect on purchase and refinance activity still unfolding.

Macro: A Body in Motion, Stays in Motion

- Incoming data have been beating consensus by the widest margin in months.
- Iran spillovers to U.S. growth run mainly through energy prices.
- Hormuz shutdown impacts duration-dependent via oil/LNG, shipping risk premia.

Rates: AI Bubble Risk Meets Labor Destruction Risk

- The 10Y fell below 4% amid safe-haven demand and AI labor replacement fears.
- Yield curve bull steepened with front-end yields the lowest since 2022.
- Market pricing shifted back toward three 25bps Fed cuts in '26 as a toss-up again.

Housing: Below 6% ... Barely

- The dip in mortgage rates to just below 6% is not a game changer in our view.
- Sellers look very optimistic with median list price rising well above 2025 levels.
- Pending sales do not indicate that sales momentum has materially improved.

Consumer Confidence: Future Is Brighter?

- Consumer confidence in February remained at depressed levels.
- Expectations did improve despite another slide in present conditions.
- Stabilization in hiring will support sentiment and more balanced spending.

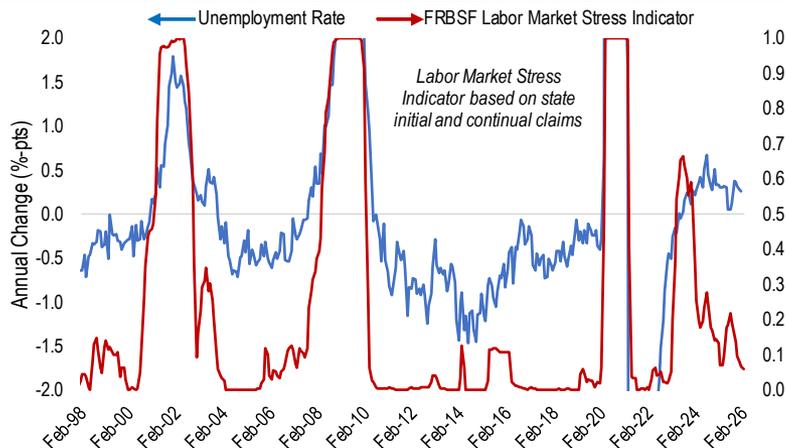
Producer Inflation: Coming in Hot!

- Headline and core PPI inflation firmed ahead of expectations in January.
- Core goods, metals and machinery price growth firmed further.
- Late-stage costs remained firm led by durable goods and core services.

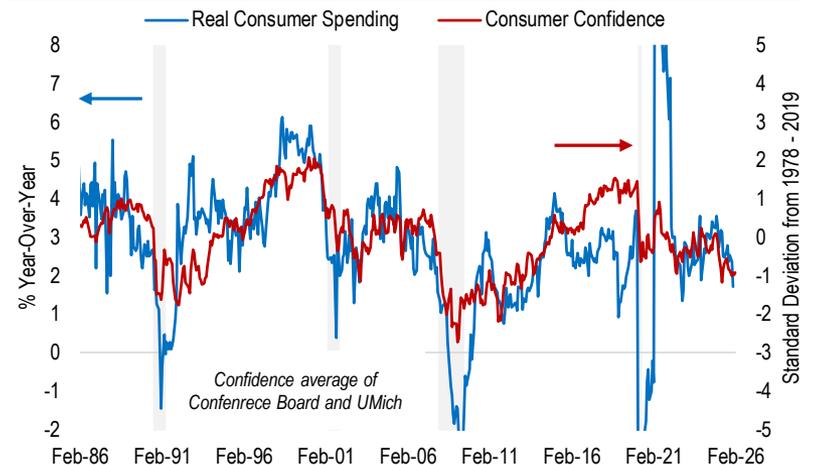
Regional Business Surveys: Ready to Rip?

- Current activity measures through February continued to trend positively.
- Employment measures suggest firms are less inclined to cut staff.
- Cost pressures remain, but at a muted pace consistent with gradual disinflation.

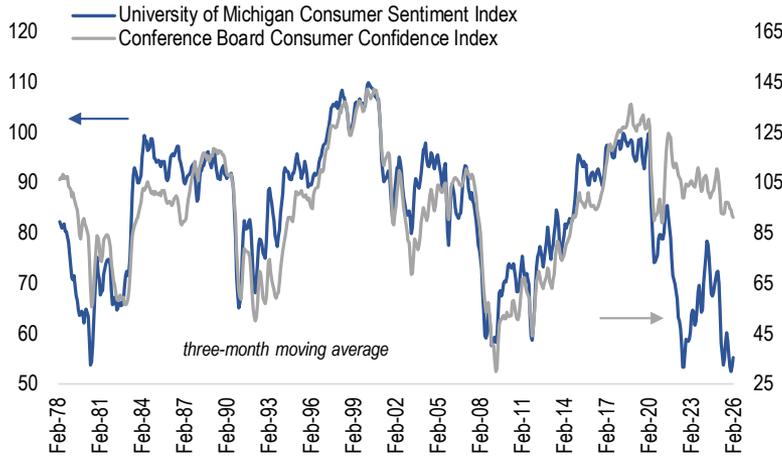
Incoming High Frequency Labor Market Data Continue to Paint a Positive Picture ...



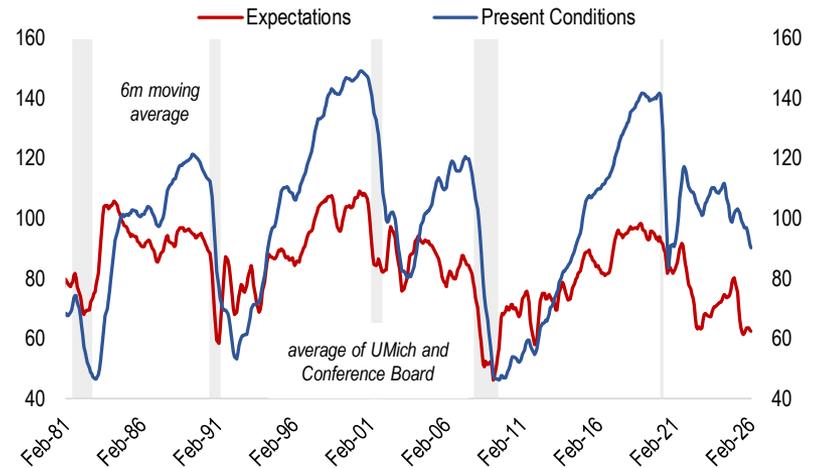
... Which Has Partly Led to Stabilization in Consumer Confidence, Boding Well for Spending Outlook



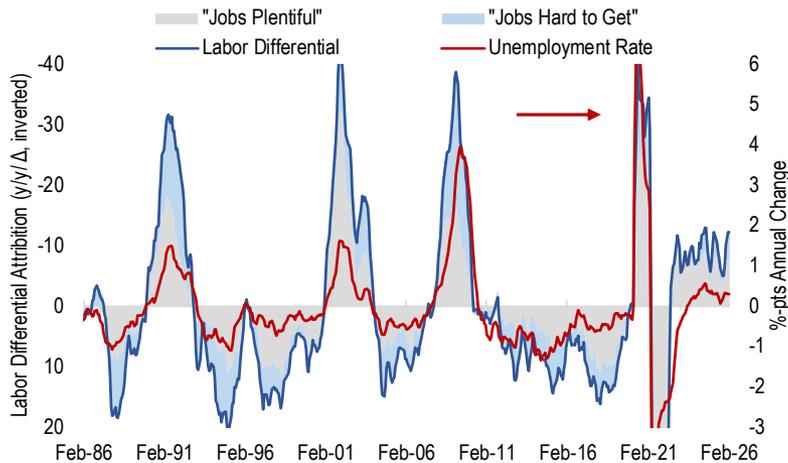
Consumer Sentiment Measures Continue to Bounce along Historically Low Readings ...



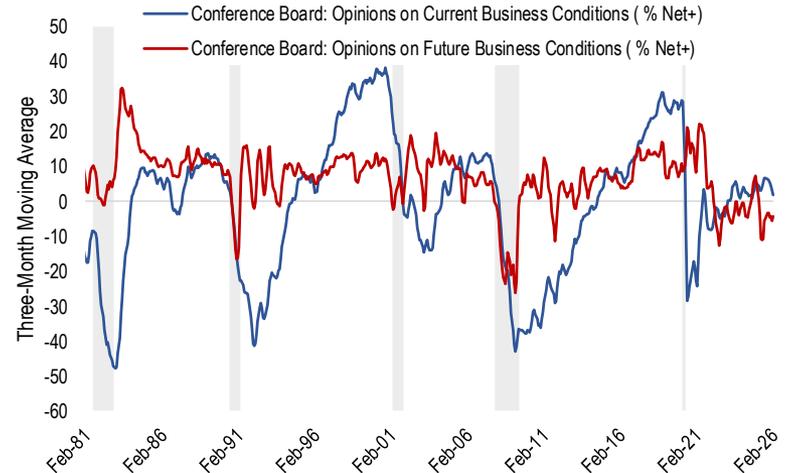
... Driven Primarily by Pessimism over Near-Term Expectations on Labor Market and Inflation



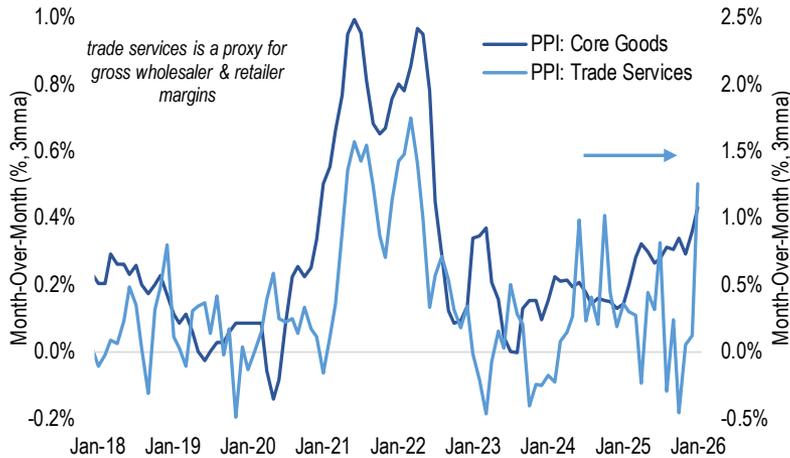
Despite a Sluggish Labor Market, Consumer Perceptions of "Jobs Hard to Get" Remained Contained



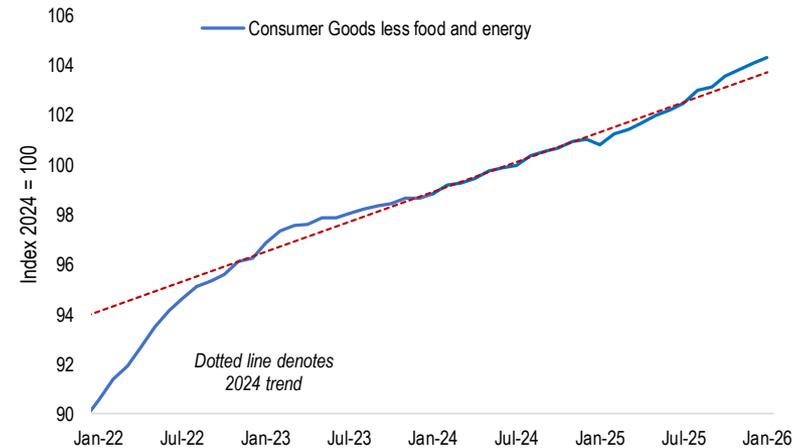
Consumer Outlook on Future Business Conditions Have Steadied after Prior Rebound



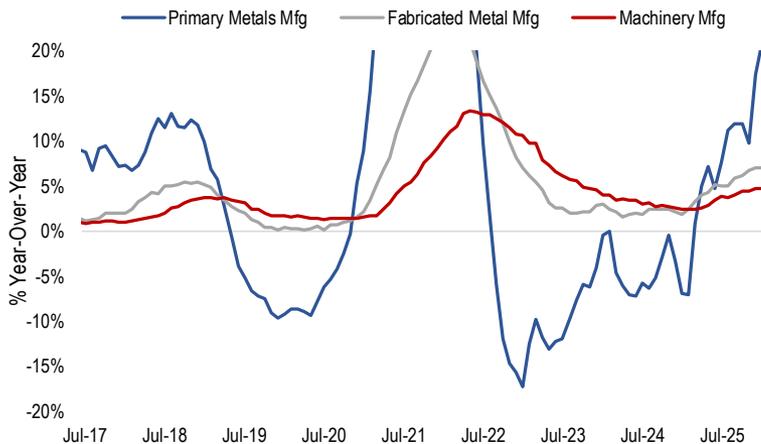
Core Producer Price Inflation Firmed in 4Q25 While Trade Margins Rebounded, Led by Durable Goods



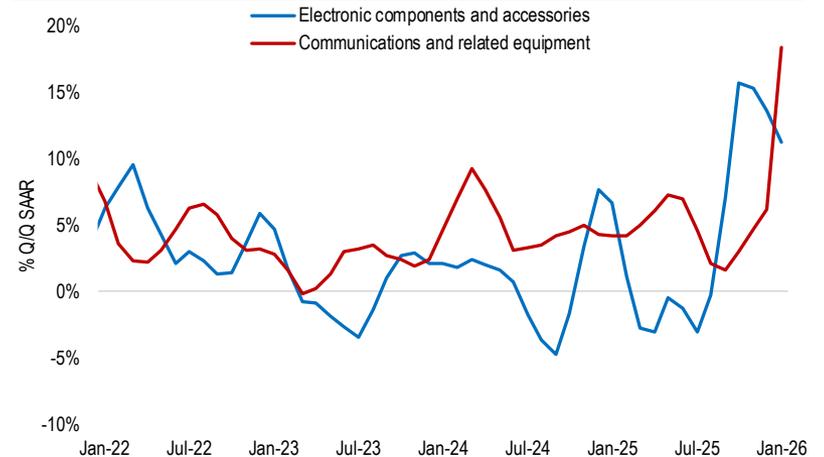
Goods Prices Are Unlikely to Ease Near Term as Firms Replenish Stocks via Imports or Domestic Production



Metals and Machinery Producer Prices Keep Progressing Higher ...



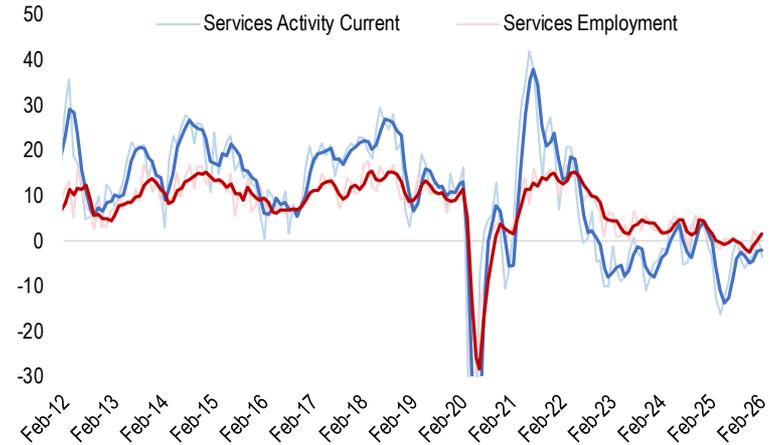
The Surge in AI Capex Has Led to a Tightening of the Supply Chain and Rampant Surge in Prices



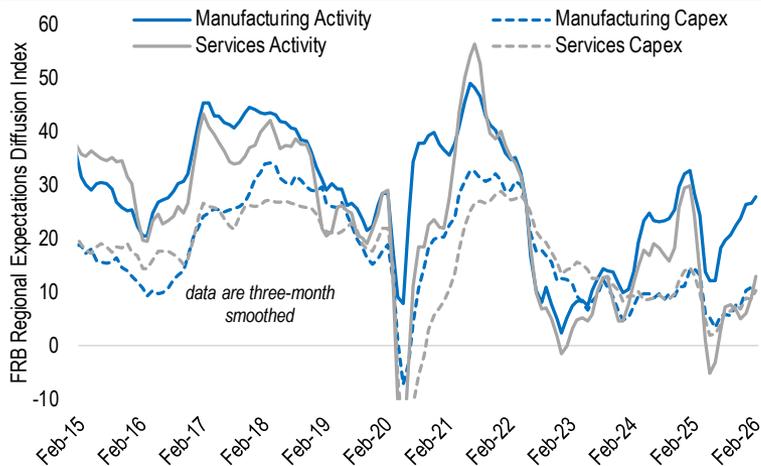
Goods Production Firming with Heavy Lift Coming from Tech, Electrical Components and Aerospace



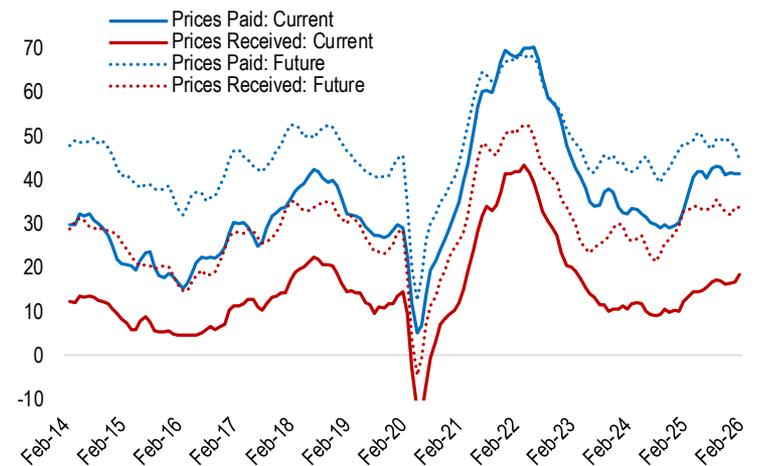
Services Industry Weakness Has Abated with Positive Signals Coming from Employment Measures



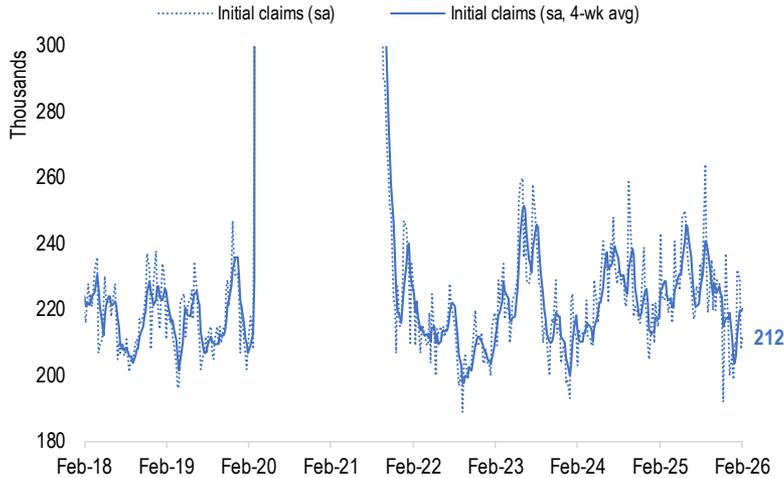
Business Expectations Have Turned More Positive, Led Primarily by the Industrial Segment



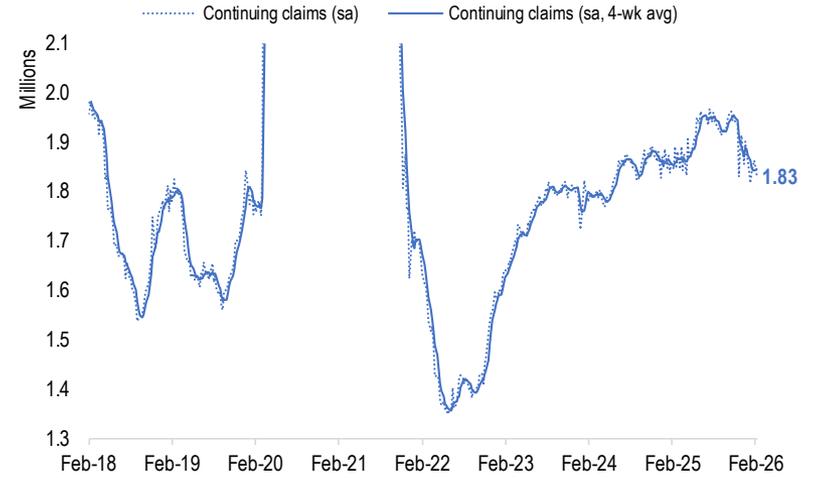
All-Industry Pricing Implies Cost Impulse Has Waned aside from Ongoing Rise in Services Selling Prices



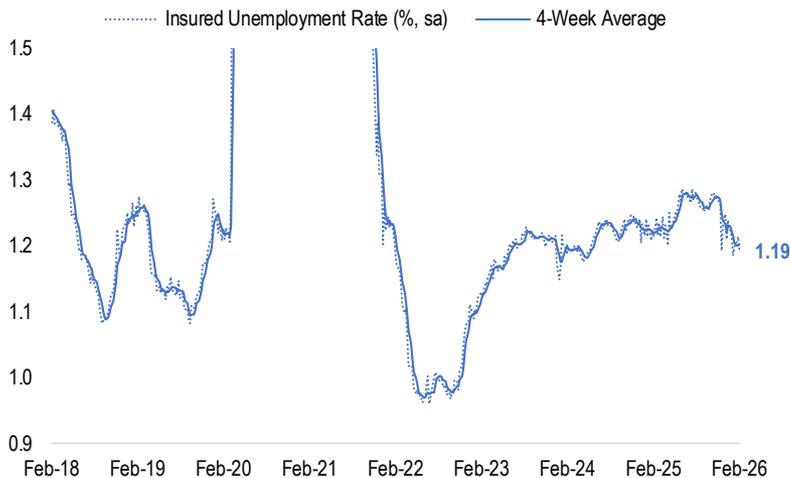
Initial Claims Inched Back Up to 212k (sa) in Week Ending Feb. 21, Just Above Multi-Year Low



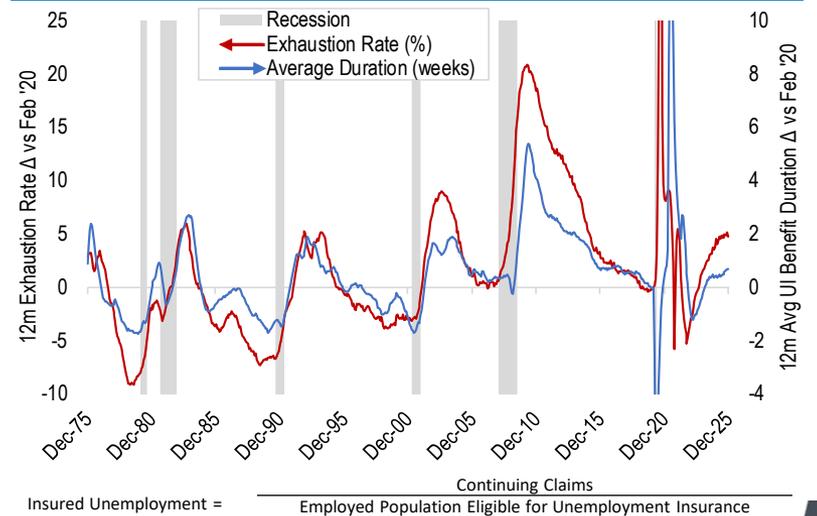
Continuing Claims Fell Back toward Recent 2-Year Low, down to 1,833k sa during Week Ending Feb. 14



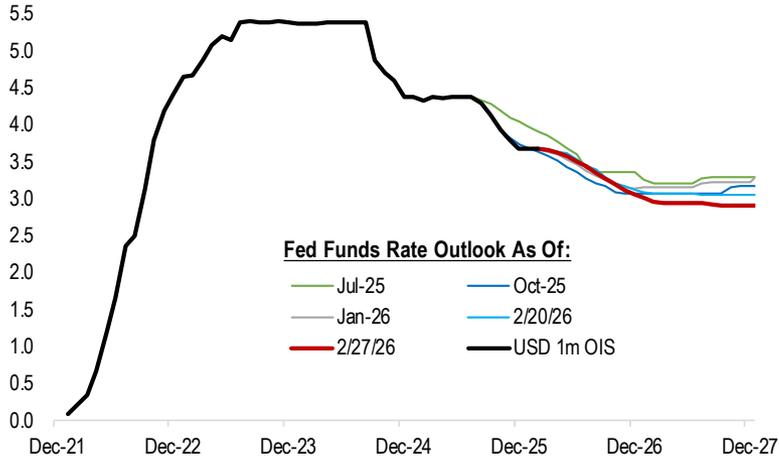
Insured Unemployment Rate also Inched Down to 1.19%, Also Just Above Lowest Level Since 2024



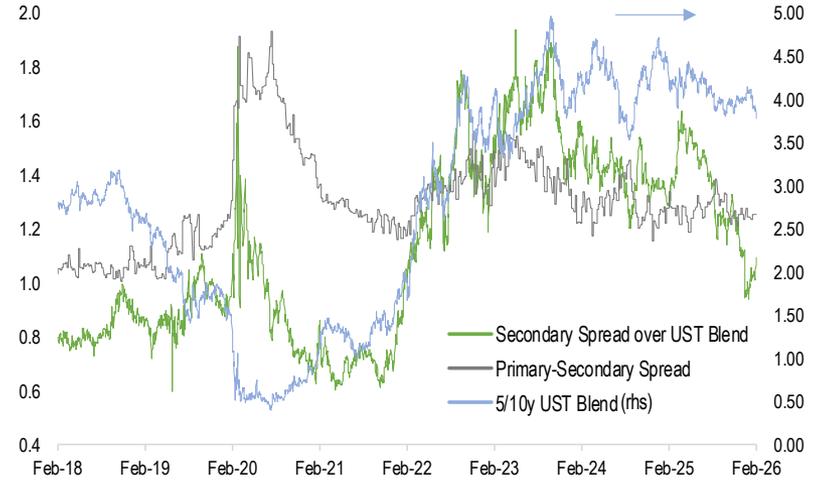
Claims Data Would Look Worse, If Not for Multi-Year High Exhaustion Rate and Duration of Unemployment



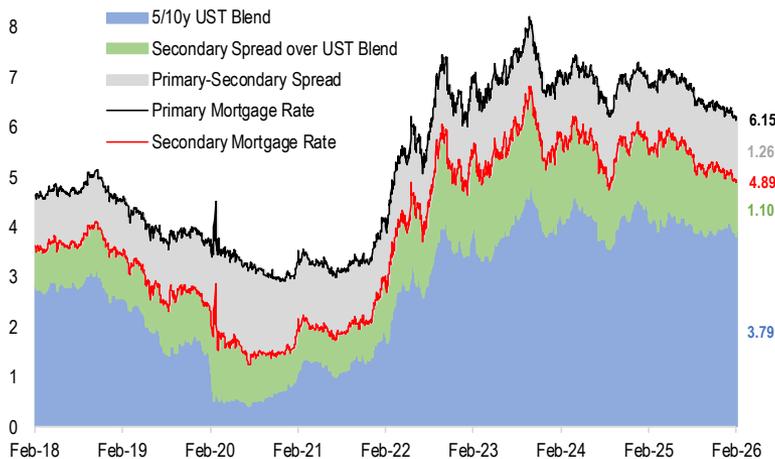
Market Odds Shifted Back to Three 25bps Rate Cuts in '26 Being a Toss-Up after Pricing Them Out Last Week



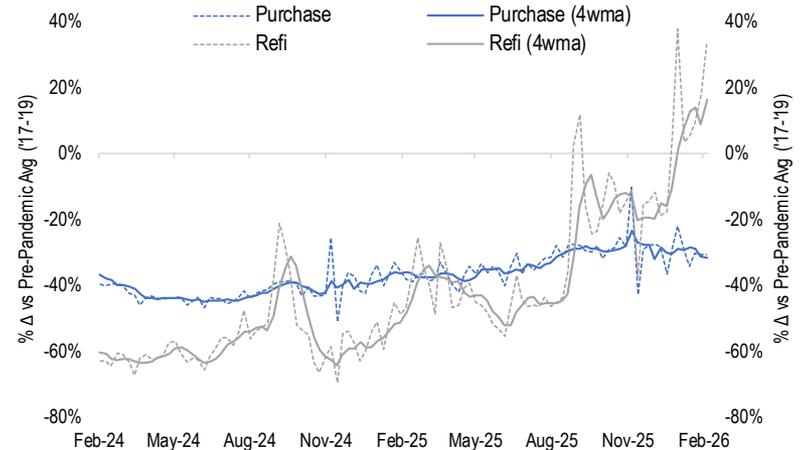
Mortgage Spreads Widened 10bps Last Week, Offsetting the -15bps Decline in UST Yields ...



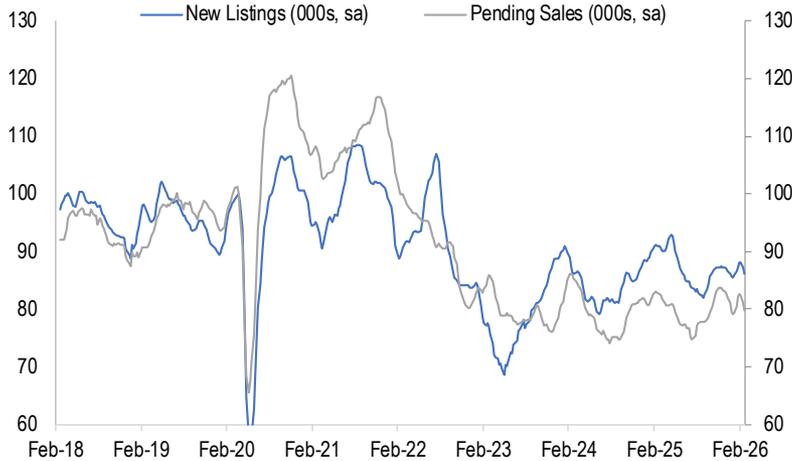
... Which Kept Mortgage Rates Just Above 6%, Still In Line with Gradual Downtrend



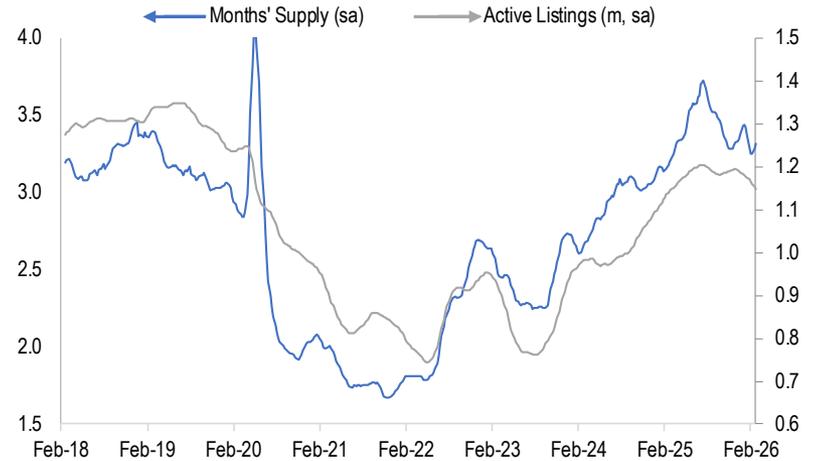
Mortgage Purchase Applications Remain Tepid despite Another Rebound in Refi Apps



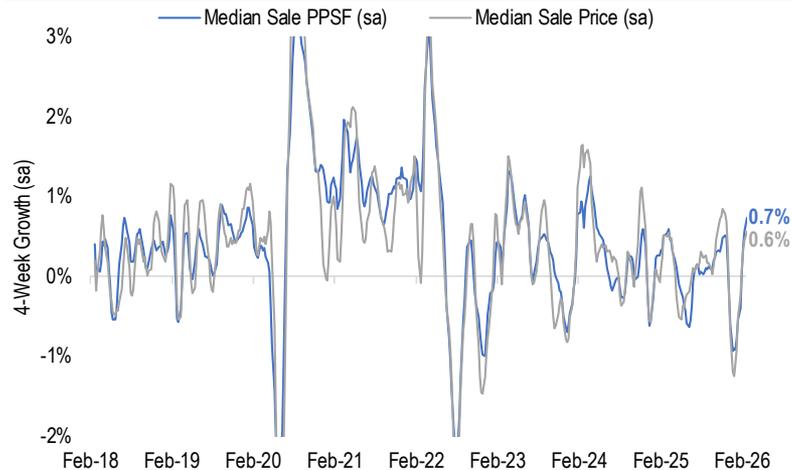
Tentative Rebound in Pending Home Sales Has Faded in Recent Weeks through Late Feb ...



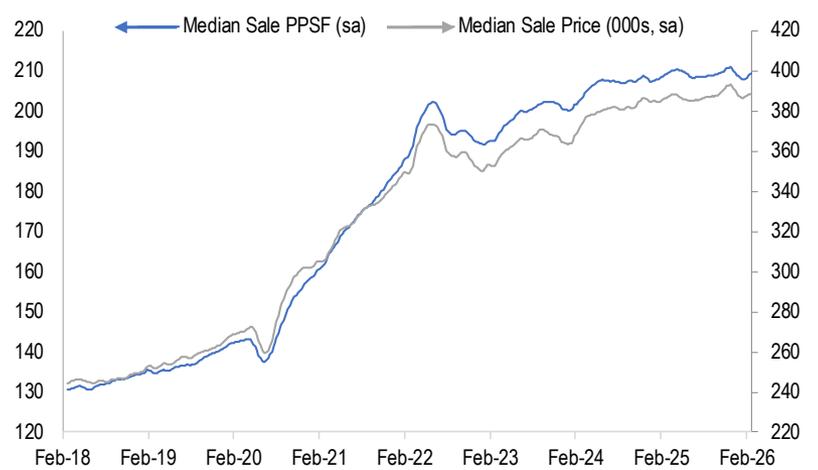
... Which Is Possibly Turning the Tide for Months' Supply after Tightening over the Course of January



Sharp Rebound in Seasonally Adjusted Home-Price Growth Appears to Be Fading as Market Softens Slightly



Prior Downshift in Home Prices Appears to Be Cooling and Turning into a Potential Rebound in Feb.



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	0.2%	-1.2%	2.6%	1.7%	5.5%	0.7%	97.9%	-0.2%	-2.3	-10.8	-2%	-2%	-5%
Atlanta	-1.3%	1.2%	3.9%	3.8%	5.6%	0.8%	97.7%	0.0%	25.3	13.9	-3%	17%	17%
Austin	-5.5%	-4.7%	0.7%	4.2%	7.2%	1.6%	96.8%	-0.4%	61.7	48.8	2%	97%	82%
Baltimore	0.7%	-1.8%	-0.6%	-0.8%	4.9%	0.1%	99.8%	-0.3%	-5.7	-19.9	12%	-21%	-33%
Boston	1.0%	-0.1%	6.2%	5.0%	3.2%	0.4%	99.4%	-1.0%	4.8	-6.4	6%	-4%	-14%
Chicago	3.2%	-1.4%	5.2%	0.4%	3.0%	0.8%	98.8%	-0.1%	-4.3	-6.4	-8%	-27%	-30%
Dallas	-3.5%	1.5%	-0.2%	1.8%	7.4%	1.1%	97.2%	-0.2%	43.5	28.8	-4%	56%	44%
Denver	0.7%	4.2%	5.7%	5.5%	7.2%	0.0%	98.5%	-0.4%	34.1	28.6	3%	77%	68%
Houston	-2.3%	0.2%	0.9%	1.4%	7.7%	2.0%	96.1%	-0.6%	21.9	3.9	0%	27%	19%
Los Angeles	-1.6%	0.2%	-2.9%	-5.1%	4.1%	1.1%	99.2%	-0.7%	12.6	5.2	-5%	21%	12%
Miami	-1.0%	1.0%	0.4%	1.3%	4.3%	0.4%	95.1%	-0.5%	29.8	22.4	-7%	20%	24%
Minneapolis	0.9%	-1.1%	2.2%	1.2%	5.1%	1.5%	98.8%	-0.1%	9.6	2.7	-1%	5%	-9%
Nashville	0.6%	0.7%	-0.5%	-2.2%	3.9%	0.5%	97.5%	-0.4%	28.4	15.7	8%	38%	18%
New York	4.1%	-2.3%	6.0%	-0.3%	3.1%	0.4%	99.1%	-0.2%	-53.3	-58.8	-5%	-28%	-30%
Phoenix	-3.2%	-1.6%	1.5%	1.7%	7.5%	0.1%	97.7%	-0.3%	19.1	14.8	2%	41%	37%
Portland	-2.7%	-2.1%	1.8%	2.9%	6.6%	1.3%	99.3%	-0.1%	25.3	11.5	0%	44%	39%
Riverside	-1.8%	1.1%	1.5%	0.1%	5.1%	0.9%	98.6%	-0.2%	4.5	-6.0	-11%	5%	11%
San Diego	-1.8%	1.5%	0.1%	0.2%	5.1%	1.0%	98.8%	-0.5%	5.7	-1.9	-5%	0%	3%
Seattle	-2.3%	0.6%	-2.1%	-1.0%	5.4%	1.0%	99.5%	-1.1%	7.5	-4.5	21%	72%	23%
Tampa	4.0%	4.1%	1.6%	1.2%	8.2%	0.0%	96.4%	-0.2%	13.0	9.2	-7%	37%	35%
Washington DC	-2.6%	-3.3%	-0.4%	0.1%	3.6%	0.0%	99.4%	-0.5%	10.4	-8.2	11%	8%	-9%

Data as of Feb. 22, 2026, 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
3/2/26	9:45 AM	S&P Global US Manufacturing PMI	Feb F	51.6	51.4	--	51.2	index, sa
3/2/26	10:00 AM	ISM Manufacturing	Feb	52.4	51.5	--	52.6	index, sa
3/2/26	10:00 AM	ISM Prices Paid	Feb	70.5	60.0	--	59.0	index, nsa
3/3/26	-	Wards Total Vehicle Sales	Feb	--	15.4	--	14.9	m, saar
3/4/26	7:00 AM	MBA Mortgage Applications w/w	Feb 27	--	--	--	0.4	%, sa
3/4/26	8:15 AM	ADP Employment m/m	Feb	--	50.0	--	22.0	k, sa
3/4/26	9:45 AM	S&P Global US Services PMI	Feb F	--	52.3	--	52.3	index, sa
3/4/26	9:45 AM	S&P Global US Composite PMI	Feb F	--	52.3	--	52.3	index, sa
3/4/26	10:00 AM	ISM Services Index	Feb	--	53.5	--	53.8	index, nsa
3/5/26	8:30 AM	Import Price Index m/m	Jan	--	0.3	--	0.1	%, nsa
3/5/26	8:30 AM	Import Price Index y/y	Jan	--	0.2	--	0.0	%, nsa
3/5/26	8:30 AM	Nonfarm Productivity q/q	4Q P	--	1.8	--	4.9	%, saar
3/5/26	8:30 AM	Unit Labor Costs q/q	4Q P	--	2.0	--	-1.9	%, saar
3/5/26	8:30 AM	Initial Jobless Claims	Feb 28	--	215	--	212	k, sa
3/5/26	8:30 AM	Continuing Claims	Feb 21	--	1,848	--	1,833	k, sa
3/6/26	8:30 AM	Advance Retail Sales m/m	Jan	--	-0.3	--	0.0	%, sa
3/6/26	8:30 AM	Retail Sales Control Group m/m	Jan	--	0.3	--	-0.1	%, sa
3/6/26	8:30 AM	Nonfarm Payrolls m/m	Feb	--	59	--	130	k, sa
3/6/26	8:30 AM	Private Payrolls m/m	Feb	--	65	--	172	k, sa
3/6/26	8:30 AM	Average Hourly Earnings m/m	Feb	--	0.3	--	0.4	%, sa
3/6/26	8:30 AM	Average Hourly Earnings y/y	Feb	--	3.7	--	3.7	%, nsa
3/6/26	8:30 AM	Average Weekly Hours All Employees	Feb	--	34.3	--	34.3	sa
3/6/26	8:30 AM	Unemployment Rate	Feb	--	4.3	--	4.3	%, sa
3/6/26	8:30 AM	Labor Force Participation Rate	Feb	--	62.5	--	62.5	%, sa
3/6/26	10:00 AM	Business Inventories m/m	Dec	--	0.1	--	0.1	%, sa
3/6/26	3:00 PM	Consumer Credit m/m	Jan	--	12.0	--	24.0	\$B, sa

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

Recent Data Releases

Key economic and housing data releases over the prior week:

Date	Time	Indicator	Period	Actual	Consensus	Revised	Prior	Note
2/23/26	8:30 AM	Chicago Fed Nat Activity Index	Dec	-0.2	--	-0.2	0.0	index, nsa
2/23/26	8:30 AM	Chicago Fed Nat Activity Index	Jan	0.2	0.0	--	-0.2	index, nsa
2/23/26	10:00 AM	Durable Goods Orders m/m	Dec F	-1.4	-1.4	--	-1.4	%, sa
2/23/26	10:00 AM	Cap Goods Orders Nondef Ex Air m/m	Dec F	0.8	0.6	--	0.6	%, sa
2/23/26	10:00 AM	Cap Goods Ship Nondef Ex Air m/m	Dec F	1.0	0.9	--	0.9	%, sa
2/24/26	9:00 AM	FHFA House Price Index m/m	Dec	0.1	0.3	0.7	0.6	%, sa
2/24/26	9:00 AM	S&P CoreLogic CS 20-City m/m SA	Dec	0.5	0.3	0.5	0.5	%, sa
2/24/26	9:00 AM	S&P CoreLogic CS 20-City y/y NSA	Dec	1.4	1.3	1.4	1.4	%, nsa
2/24/26	10:00 AM	Richmond Fed Manufact. Index	Feb	-10.0	-4.5	--	-6.0	index, sa
2/24/26	10:00 AM	Conf. Board Consumer Confidence	Feb	91.2	87.1	89.0	84.5	index, sa
2/24/26	10:00 AM	Wholesale Inventories m/m	Dec F	0.2	0.2	--	0.2	%, sa
2/24/26	10:00 AM	Wholesale Trade Sales m/m	Dec	1.0	0.2	1.4	1.3	%, sa
2/25/26	7:00 AM	MBA Mortgage Applications w/w	Feb 20	0.4	--	--	2.8	%, sa
2/26/26	8:30 AM	Initial Jobless Claims	Feb 21	212	216	208	206	k, sa
2/26/26	8:30 AM	Continuing Claims	Feb 14	1,833	1,858	1,864	1,869	k, sa
2/26/26	11:00 AM	Kansas City Fed Manf. Activity	Feb	5.0	1.5	--	0.0	sa, index
2/27/26	8:30 AM	PPI Final Demand m/m	Jan	0.5	0.3	0.4	0.5	%, sa
2/27/26	8:30 AM	PPI Core (ex Food and Energy) m/m	Jan	0.8	0.3	0.6	0.7	%, sa
2/27/26	8:30 AM	PPI Final Demand y/y	Jan	2.9	2.6	--	3.0	%, nsa
2/27/26	8:30 AM	PPI Core (ex Food and Energy) y/y	Jan	3.6	3.0	--	3.3	%, nsa

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