

HaMMR Digest

Stay current with economic and mortgage market trends.

March 9, 2026

Parker Ross — Global Chief Economist

pross@archgroup.com | 914 216 7270 | [@econ_parker](#) on X and [Threads](#)

Leonidas Mourelatos — Assistant Vice President, Global Real Estate Economics

lmourelatos@archgroup.com | 631 521 9048

It's Complicated

- **Key Takeaway:** Hot January payrolls were followed by an ice-cold February print, with unemployment similarly rebounding from its January plunge.
- **Macro Implications:** BLS labor market data gives doves something to lean on, while a prolonged geopolitical conflict adds downside risk to growth.
- **Housing Implications:** Markets' focus on near-term inflation expectations lifted Treasury yields and pushed mortgage rates sharply back above 6%.

Macro: Endgame Uncertain

- Growth momentum remains firm, though geopolitical risks are rising.
- Productivity growth through 4Q25 hits highest since 1990s.
- Middle East tensions risk a sentiment shock as oil prices are poised to rise further.

Rates: Inflation Takes Precedent

- Markets clearly focused on inflation risks despite weak jobs report.
- The 10Y rose 19bps on the week to 4.14% driven by wider inflation breakevens.
- Yield curve bear flattened as front-end rates priced higher near-term inflation.

Housing: That Didn't Last Long

- Mortgage rates spiked above 6% and are likely to remain above that level near term.
- Middle East conflict unlikely to impact housing market unless it is prolonged.
- Active listings remain in a gradual downward slide, supporting home price growth.

Jobs Report: Through the Noise, Slack Is Still Building

- Weather and healthcare strike likely subtracted ~50k from Feb. payrolls.
- Unemployment up 12bps to 4.44% and par with prior six-month average.
- Hours worked held steady and pay rose, but job-finding remains difficult.

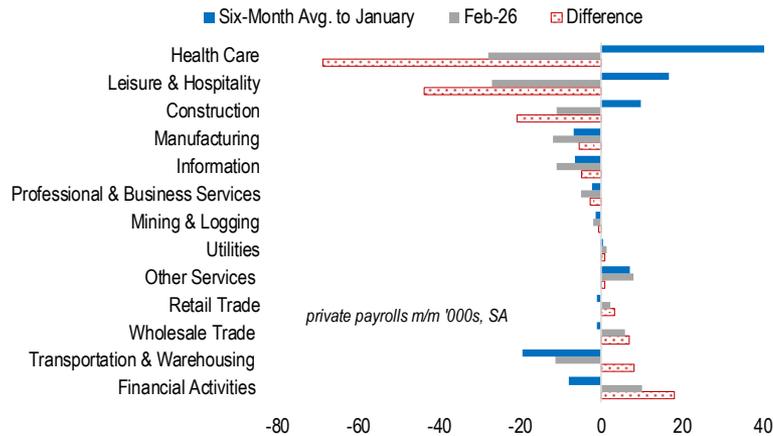
Retail Sales: Momentum Still Fading

- Real retail sales have continued grinding softer since last August.
- Core retail sales primarily driven by online purchases.
- Downward revisions to restaurants show a much weaker trajectory.

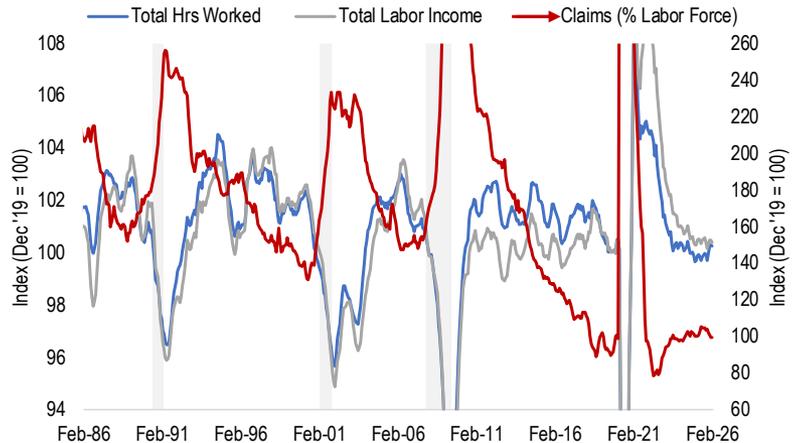
ISM PMI: Boomy, but Can It Last?

- Manufacturing still strong; rising share of sectors reporting improving demand.
- Services business activity rose for fifth straight month and highest since '24.
- Employment measures have improved while prices surge in goods sectors.

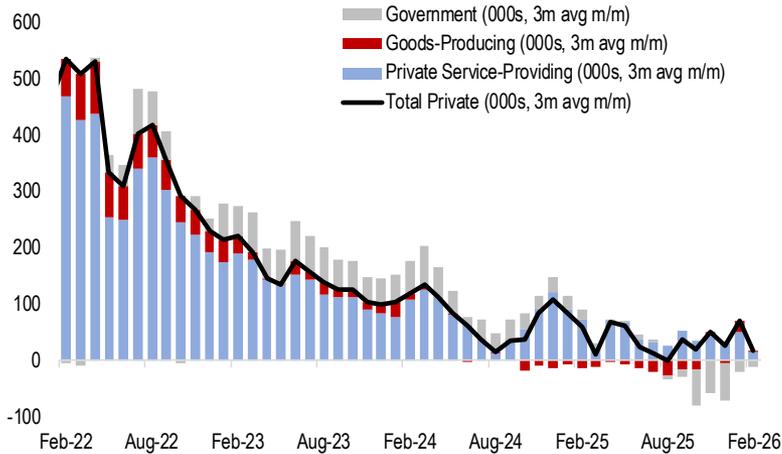
January Was Too Hot, February Too Cold, Will March Be Just Right?



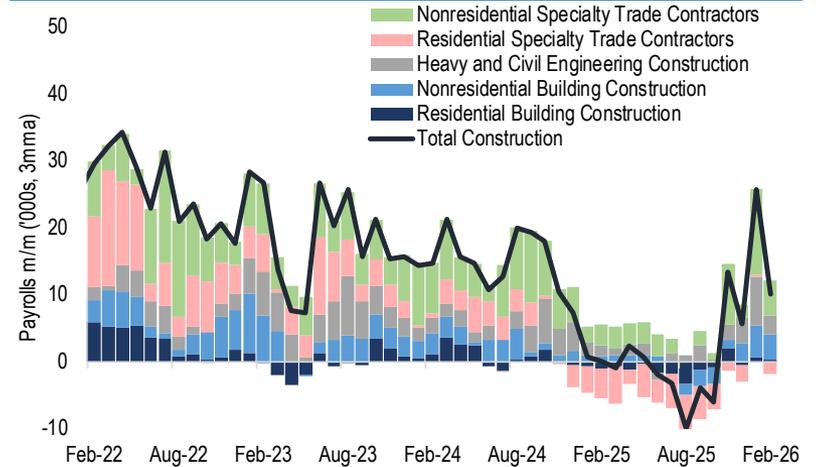
Weak Hiring Not Translating into Layoffs, Reduced Hours or Pay Cuts, Countering Slowdown Concerns



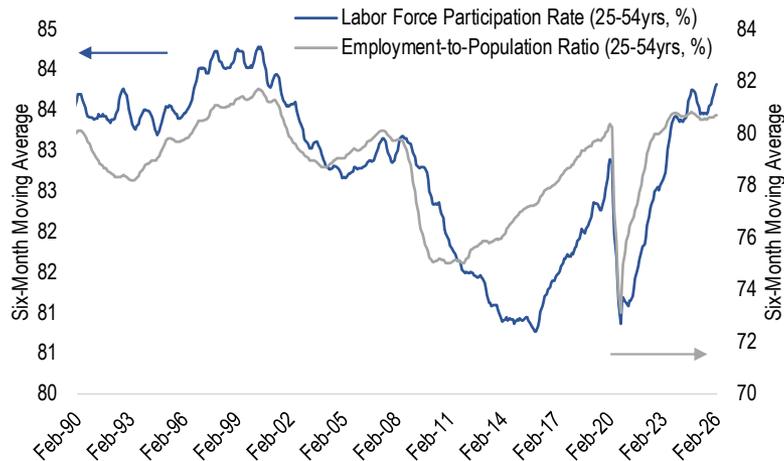
The Nascent Rebound in Private Payrolls Was Stunted in February



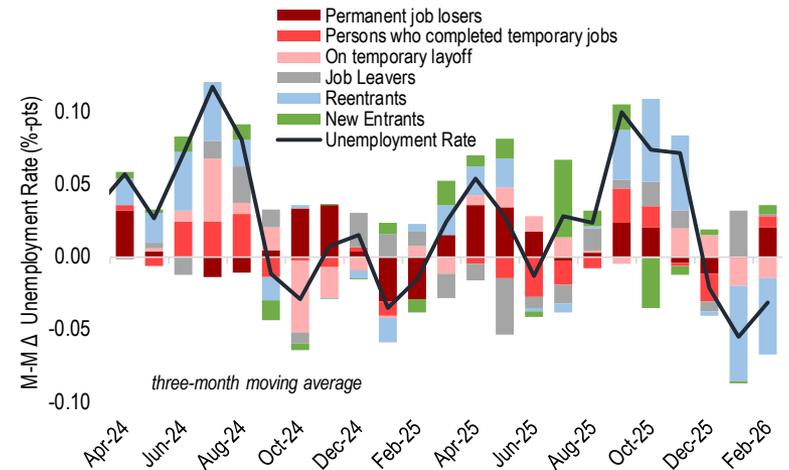
Spike in Construction Jobs Followed by Plunge in First Two Months of '26 — Mostly Weather Related



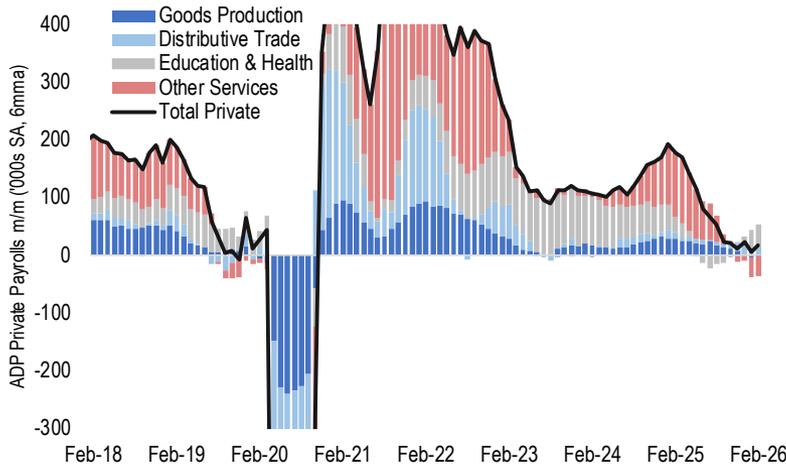
Evidence of Labor Slack Building as Prime-Age Participation Surge Outpaced Employment Rebound



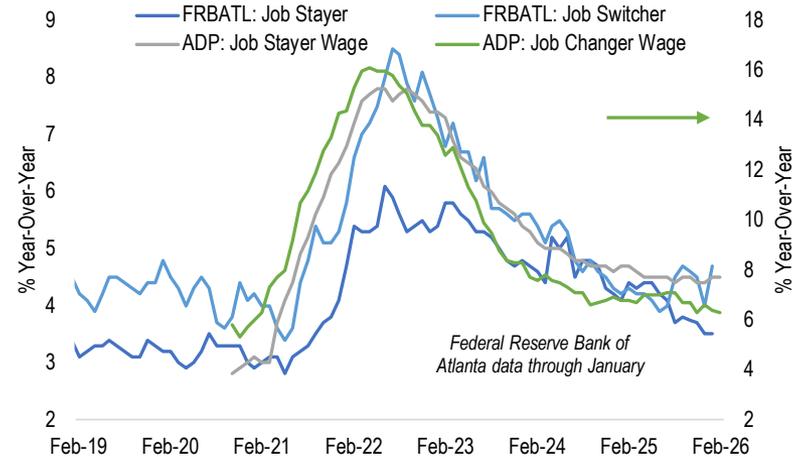
Unemployment Path Has Been Encouraging, but Falling Reentrants Possible Sign of Discouraged Job Hunters



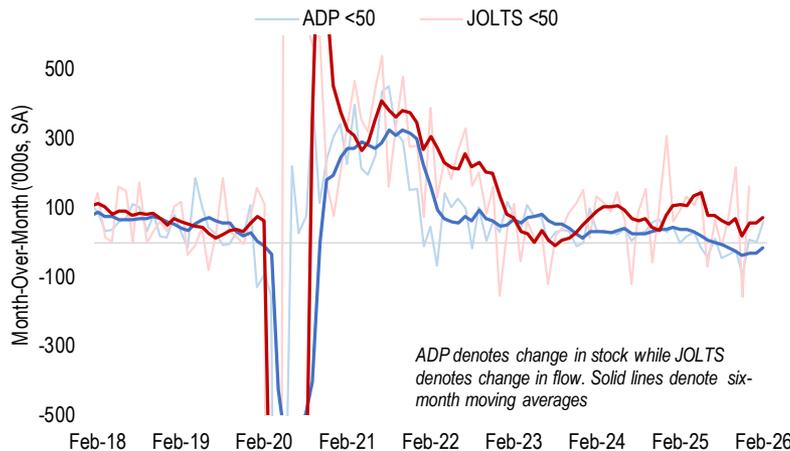
Education and Healthcare Leading the Charge with Trend in Other Services Still Trailing



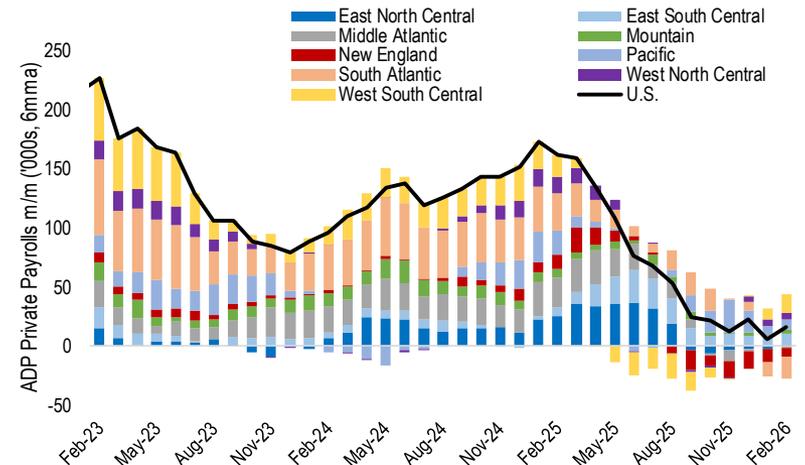
Various Measures of Pay Growth Have Softened but Remain Firm by Historical Comparison



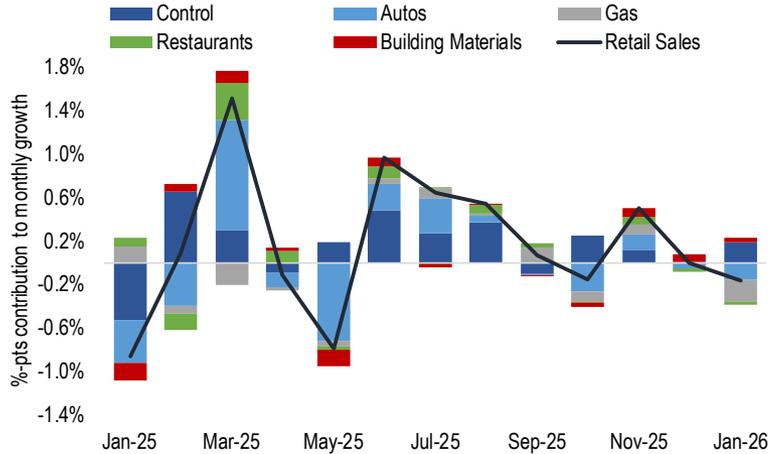
Net Job Gains and Flows into Employment Have Picked Up Since Last Summer



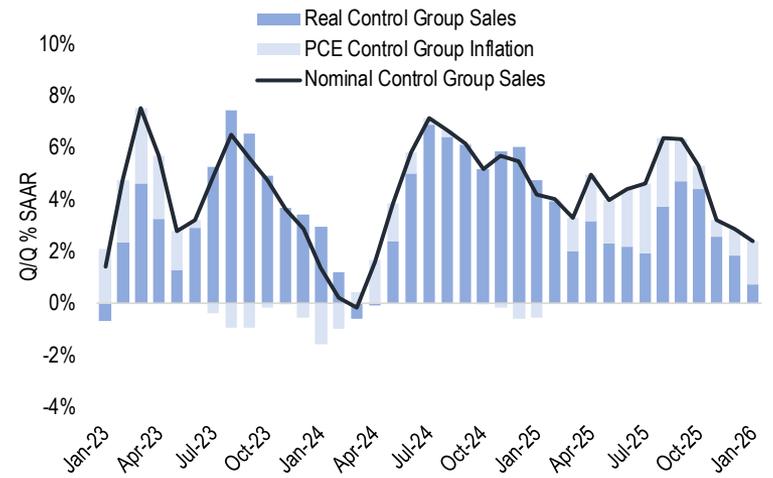
Monthly Private Job Growth Weakness Most Prominent along Atlantic Coast



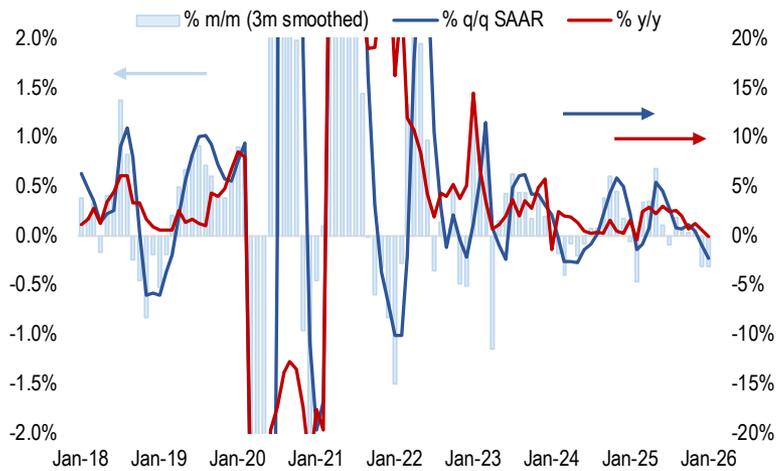
Retail Sales Dragged Down by Weak Spending on Autos and Gas Stations with Most of U.S. Stuck at Home



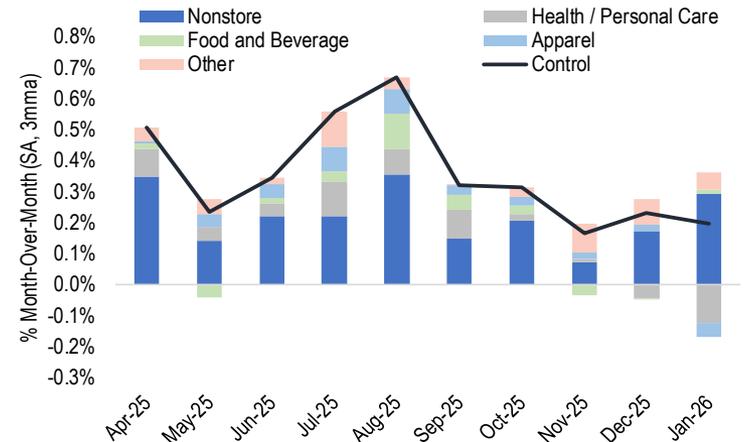
Real (Inflation-Adjusted) Control Group Sales Growth Decelerated Further



Real Restaurant Sales Were Once a Bright Spot, but Downward Revisions to Prior Months Alters the Picture

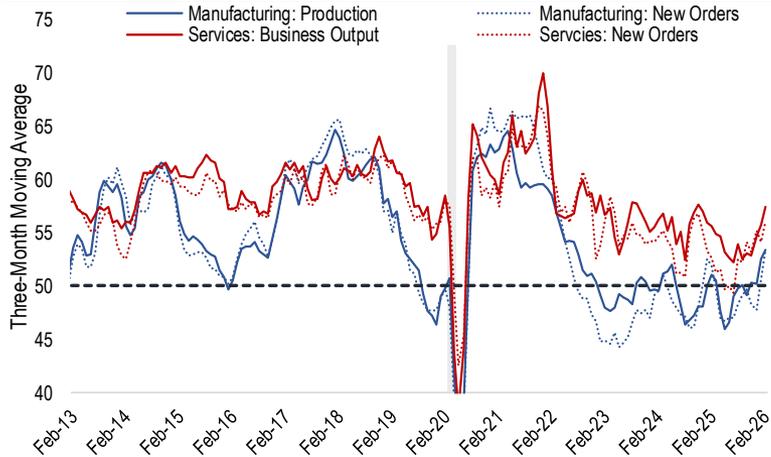


Control Group Sales Breadth Narrowed with Recent Growth Dominated by Strength in Online Outlays

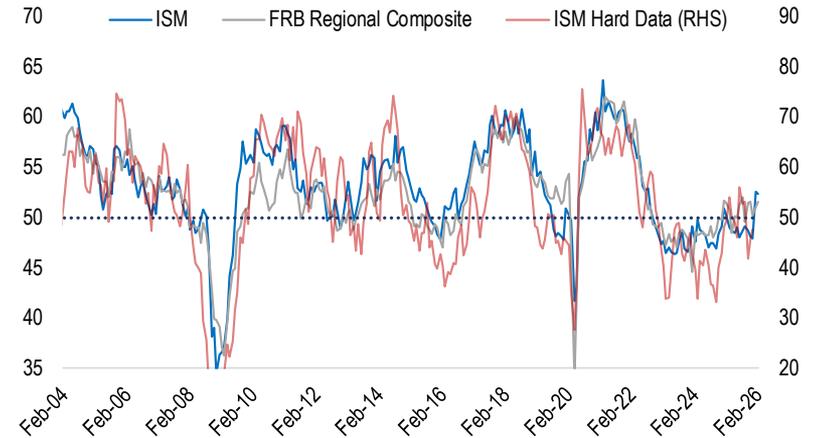


"Control Group" = Retail sales excludes autos, gas, building materials and restaurants.

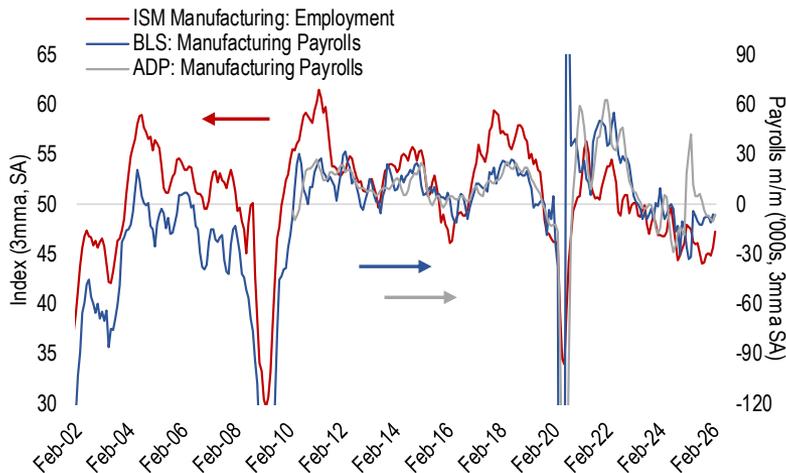
Manufacturing and Services Sectors Showing Clear Signs of Momentum Picking Up



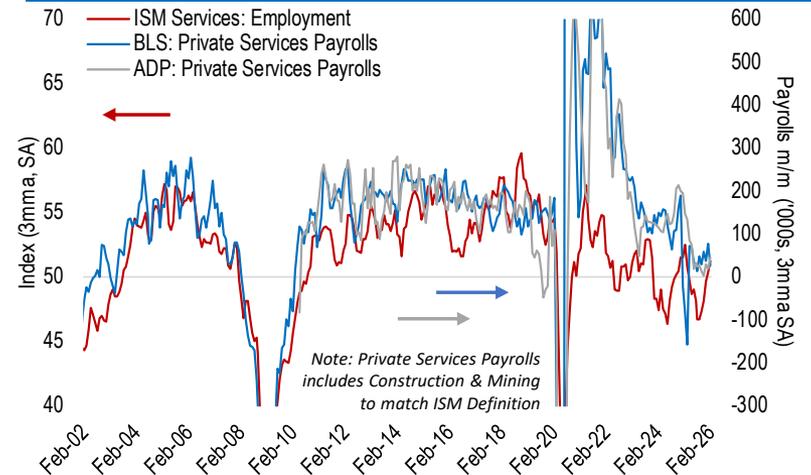
ISM and Fed Regional Surveys Pointing to More Gains in "Hard Data" That Has Been Lifted by Shipments, Output



ISM Employment Index Showed Further Signs of Improving, Albeit from Still Very Weak Levels

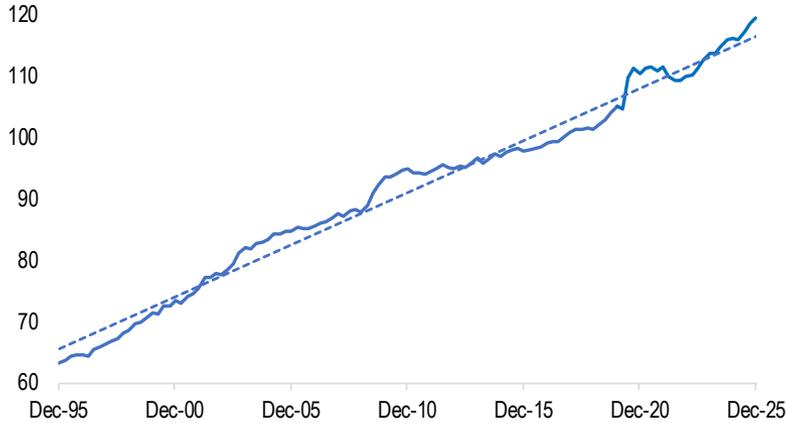


ISM Services Employment Trending Up, Reconverging with Other Data on Services Payrolls



Productivity Has Increased above Trend and Mostly Driven by Capex That Is Not Labor Intensive

Business Productivity (1995 Trend Anchor Year)

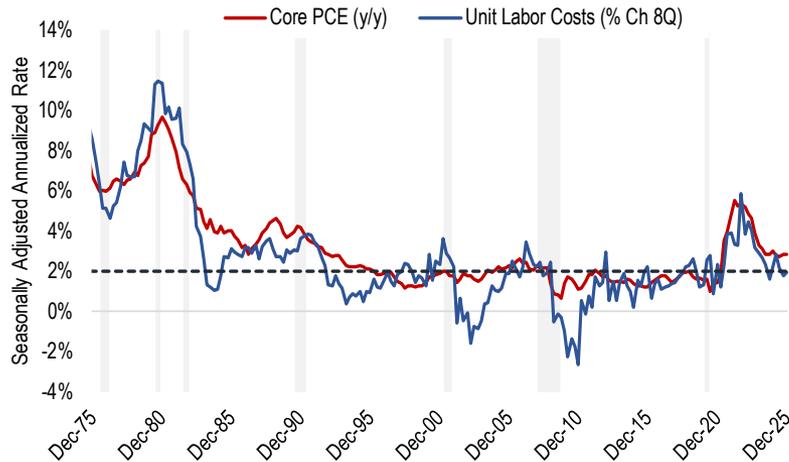


Capex Has Been Geared toward Buildout of AI Data Centers as the Economy Is Still in Early Adoption Phase

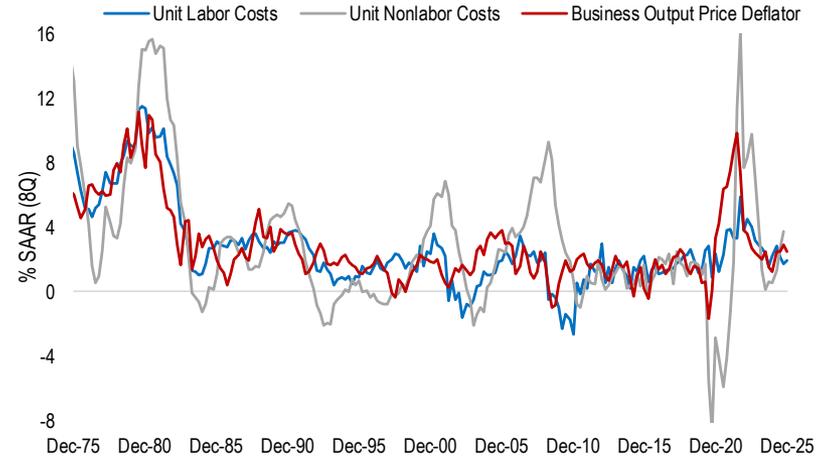
— Nonfarm Business Productivity (output / hr) — 5yr Annualized Rate



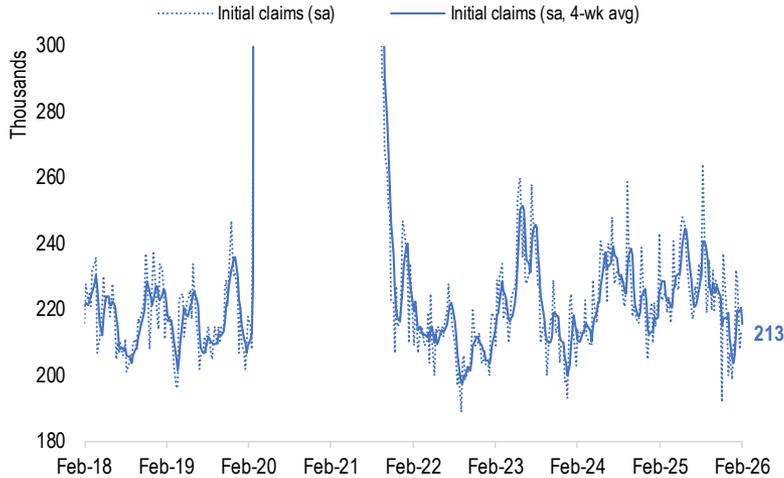
Core PCE Inflation Running on Hotter Side despite Unit Labor Costs Still Kept in Check



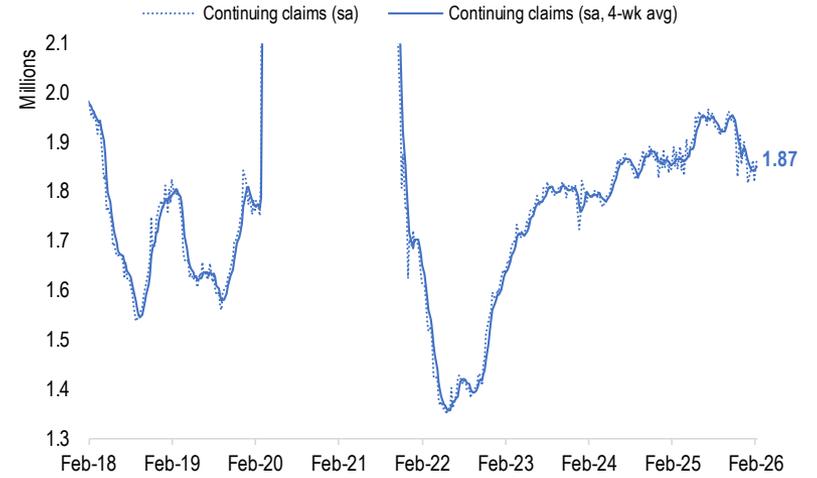
Nonlabor Costs Up Mostly Due to Tariffs with Business Output Price Gains Running above Historical Norm



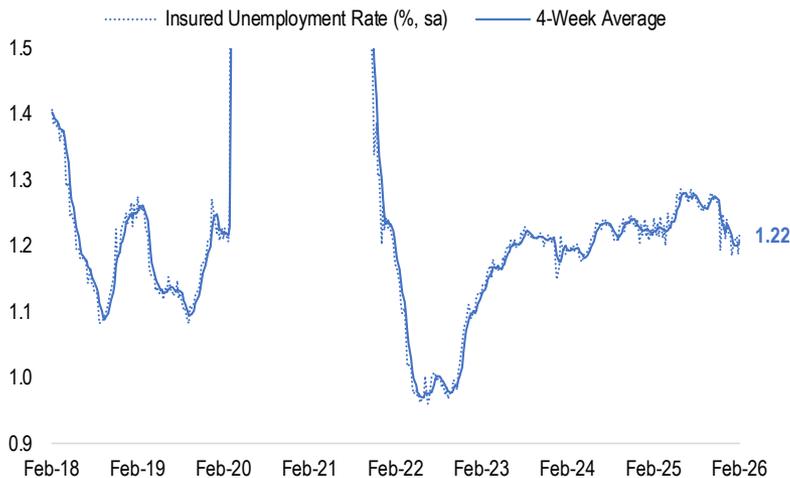
Initial Claims Unchanged at 213k (sa) in Week Ending Feb. 28, Just Above Multi-Year Low



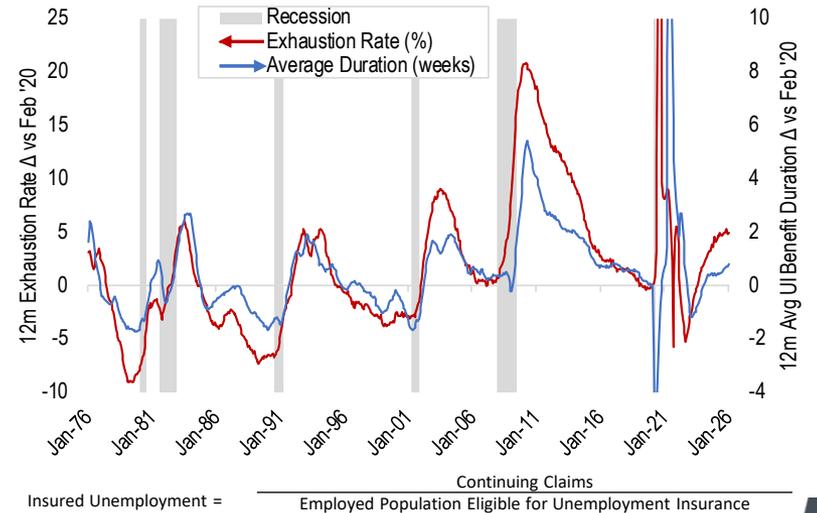
Continuing Claims Bounced Back from Recent 2-Year Low, up to 1,868k sa during Week Ending Feb. 21



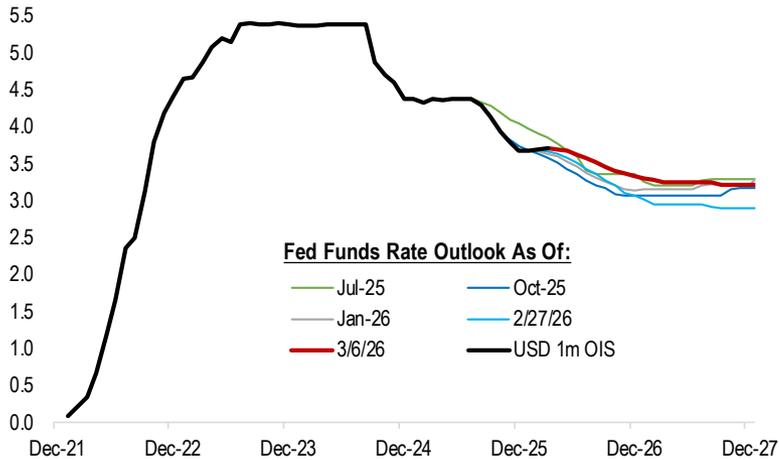
Insured Unemployment Rate Also Ticked Higher to 1.22%, Also Just Above Lowest Level Since 2024



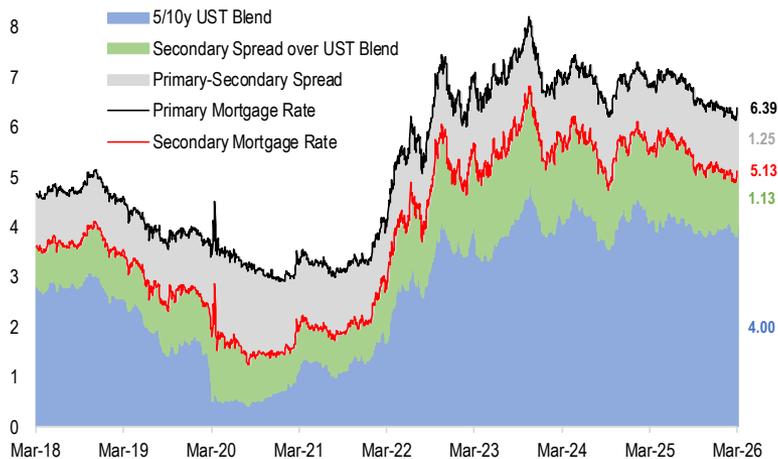
Claims Data Would Look Worse, If Not for Multi-Year High Exhaustion Rate and Duration of Unemployment



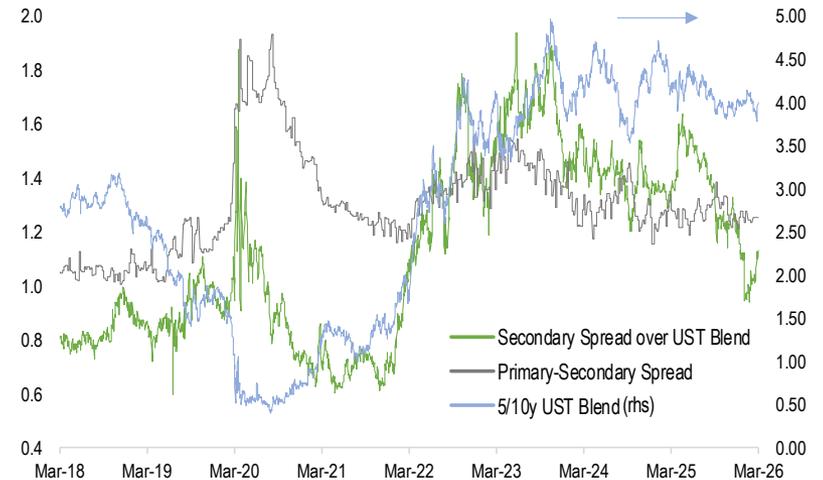
Market Odds Retreated Back to Two 25bps Rate Cuts in '26 as Iranian Conflict Raised Inflation Concerns



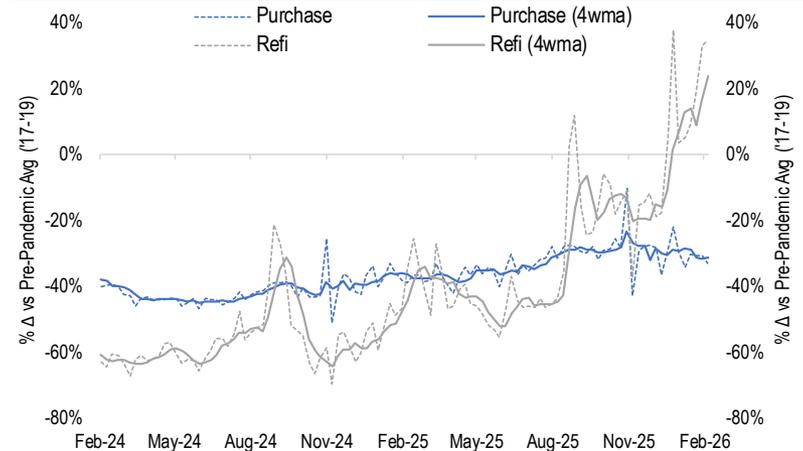
... Which Caused Mortgage Rates to Jump, Reversing Weeks of Prior Gradual Downtrend



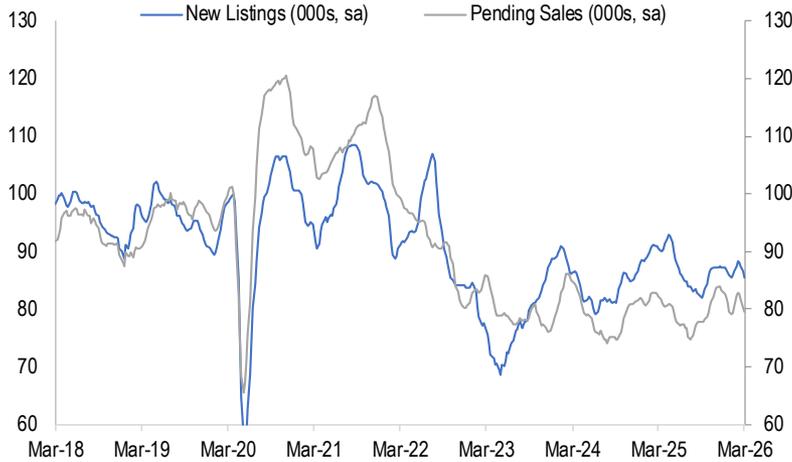
Mortgage Spreads Widened 4bps Last Week, Piling On to the 21bps Spike in UST Yields ...



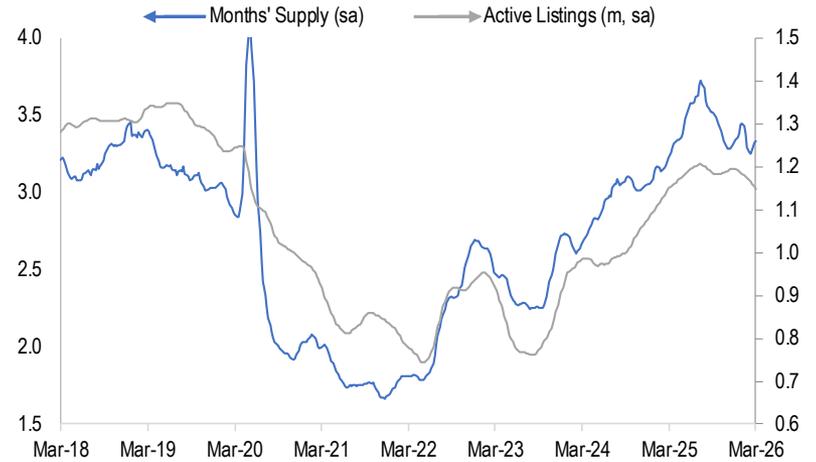
Mortgage Purchase Applications Remained Tepid despite a Continued Rebound in Refi Apps



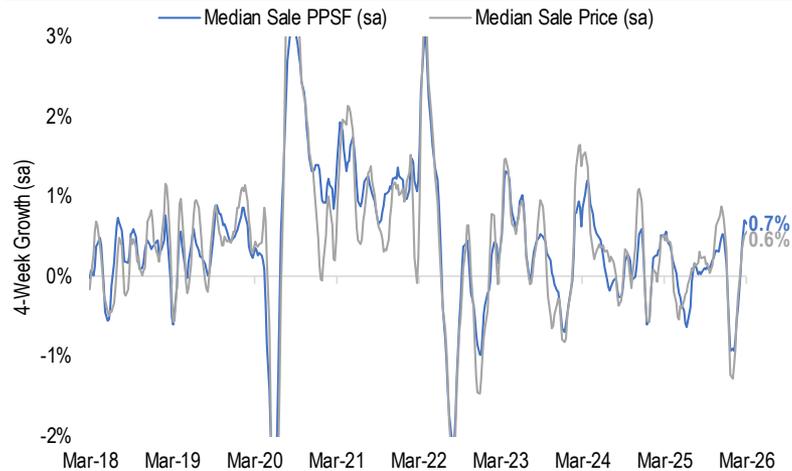
Tentative Rebound in Pending Home Sales Has Faded in Recent Weeks through Early March ...



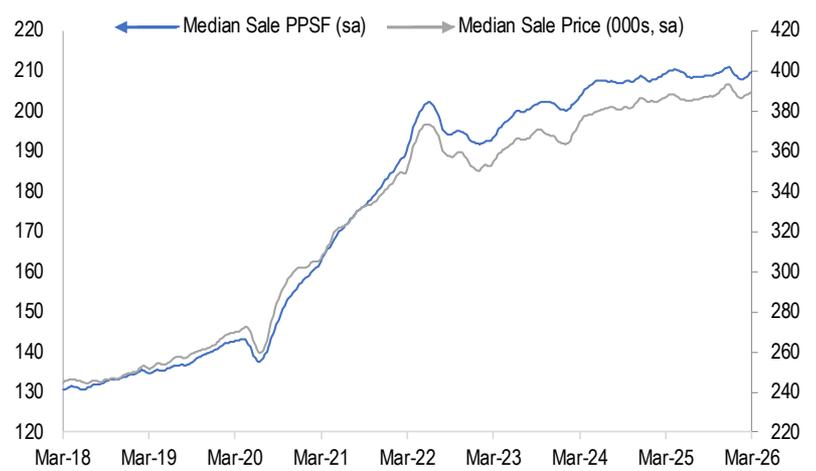
... Which Is Possibly Turning the Tide for Months' Supply after Tightening over the Course of January



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 Early March



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	0.3%	-0.9%	1.7%	0.9%	5.7%	0.8%	98.0%	-0.2%	-2.3	-10.3	-2%	-3%	-5%
Atlanta	-1.0%	1.4%	2.8%	2.5%	5.7%	0.9%	97.7%	-0.1%	25.2	16.0	-3%	17%	17%
Austin	-6.8%	-4.4%	-0.8%	3.5%	7.5%	1.9%	97.1%	-0.1%	64.2	52.2	2%	98%	93%
Baltimore	2.7%	1.6%	-0.8%	-1.3%	5.2%	0.6%	100.0%	-0.4%	-9.3	-21.6	11%	-21%	-32%
Boston	1.8%	1.3%	4.7%	3.5%	3.1%	0.1%	99.7%	-0.9%	1.5	-8.5	5%	-5%	-15%
Chicago	3.2%	-0.7%	4.4%	0.9%	3.1%	0.9%	98.9%	-0.1%	-8.5	-11.0	-7%	-28%	-30%
Dallas	-3.4%	1.5%	0.0%	3.6%	7.8%	1.5%	97.2%	-0.3%	45.4	29.5	-3%	61%	49%
Denver	0.6%	4.6%	6.5%	6.2%	7.3%	0.0%	98.7%	-0.3%	28.6	24.1	3%	77%	67%
Houston	-2.4%	-0.3%	0.5%	1.0%	7.6%	1.9%	95.9%	-0.6%	23.4	5.2	1%	31%	22%
Los Angeles	-1.4%	-1.3%	-1.8%	-2.4%	4.1%	1.0%	99.3%	-0.7%	8.5	2.8	-5%	18%	13%
Miami	-0.2%	1.6%	0.1%	-0.8%	4.2%	0.3%	95.2%	-0.5%	31.4	21.9	-8%	17%	24%
Minneapolis	0.4%	-0.9%	2.7%	2.9%	5.0%	1.4%	99.0%	-0.1%	11.1	2.0	1%	2%	-8%
Nashville	0.6%	1.9%	0.4%	-0.7%	4.3%	0.8%	97.5%	-0.4%	27.8	16.0	8%	33%	18%
New York	3.9%	-1.9%	4.7%	-4.2%	3.1%	0.3%	98.9%	-0.2%	-54.2	-58.7	-6%	-28%	-30%
Phoenix	-3.2%	-1.7%	2.0%	2.2%	7.7%	0.1%	97.7%	-0.3%	18.9	14.9	1%	43%	38%
Portland	-2.8%	-1.6%	2.1%	3.6%	6.6%	1.5%	99.4%	-0.2%	20.3	7.3	1%	45%	40%
Riverside	-1.0%	2.1%	1.0%	0.0%	5.0%	0.7%	98.6%	-0.2%	5.2	-5.7	-11%	3%	8%
San Diego	-1.2%	2.4%	0.1%	0.2%	5.1%	0.9%	99.0%	-0.6%	1.8	-4.1	-6%	-3%	3%
Seattle	-3.2%	0.1%	-1.6%	-2.2%	5.8%	1.3%	99.8%	-1.2%	2.0	-7.1	24%	71%	25%
Tampa	2.8%	2.8%	1.5%	1.7%	8.4%	0.1%	96.5%	-0.1%	13.2	8.2	-7%	38%	35%
Washington DC	-2.3%	-3.3%	-0.1%	2.0%	3.6%	-0.1%	99.7%	-0.4%	8.4	-7.8	11%	7%	-7%

Data as of March 1, 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
3/9/26	11:00 AM	NY Fed 1-Yr Inflation Expectations	Feb	3.0	3.1	--	3.1	%
3/10/26	6:00 AM	NFIB Small Business Optimism	Feb	--	99.6	--	99.3	index, sa
3/10/26	10:00 AM	Existing Home Sales	Feb	--	3.9	--	3.9	m, saar
3/10/26	10:00 AM	Existing Home Sales m/m	Feb	--	-0.8	--	-8.4	%, sa
3/11/26	7:00 AM	MBA Mortgage Applications w/w	Mar 6	--	--	--	11.0	%, sa
3/11/26	8:30 AM	CPI m/m	Feb	--	0.3	--	0.2	%, sa
3/11/26	8:30 AM	CPI Core (ex Food and Energy) m/m	Feb	--	0.2	--	0.3	%, sa
3/11/26	8:30 AM	CPI y/y	Feb	--	2.4	--	2.4	%, nsa
3/11/26	8:30 AM	CPI Core (ex Food and Energy) y/y	Feb	--	2.5	--	2.5	%, nsa
3/12/26	8:30 AM	Initial Jobless Claims	Mar 7	--	215	--	213	k, sa
3/12/26	8:30 AM	Continuing Claims	Feb 28	--	1,850	--	1,868	k, sa
3/12/26	8:30 AM	Housing Starts	Jan	--	1,341	--	1,404	k, saar
3/12/26	8:30 AM	Housing Starts m/m	Jan	--	-4.5	--	6.2	%, sa
3/12/26	8:30 AM	Building Permits	Jan P	--	1,410	--	--	k, saar
3/12/26	8:30 AM	Building Permits m/m	Jan P	--	-3.1	--	--	%, sa
3/13/26	8:30 AM	Personal Income m/m	Jan	--	0.5	--	0.3	%, sa
3/13/26	8:30 AM	Personal Spending m/m	Jan	--	0.3	--	0.4	%, sa
3/13/26	8:30 AM	Real Personal Spending m/m	Jan	--	0.0	--	0.1	%, sa
3/13/26	8:30 AM	PCE Inflation m/m	Jan	--	0.3	--	0.4	%, sa
3/13/26	8:30 AM	PCE Inflation y/y	Jan	--	2.9	--	2.9	%, nsa
3/13/26	8:30 AM	PCE Core Inflation (ex Food and Energy) m/m	Jan	--	0.4	--	0.4	%, sa
3/13/26	8:30 AM	PCE Core Inflation (ex Food and Energy) y/y	Jan	--	3.1	--	3.0	%, nsa
3/13/26	8:30 AM	Durable Goods Orders m/m	Jan P	--	1.2	--	-1.4	%, sa
3/13/26	8:30 AM	Cap Goods Orders Nondef Ex Air m/m	Jan P	--	0.5	--	0.8	%, sa
3/13/26	8:30 AM	Cap Goods Ship Nondef Ex Air m/m	Jan P	--	0.5	--	1.0	%, sa
3/13/26	8:30 AM	GDP Annualized q/q	4Q S	--	1.4	--	1.4	%, saar
3/13/26	8:30 AM	Personal Consumption q/q	4Q S	--	2.4	--	2.4	%, saar
3/13/26	8:30 AM	Core PCE Deflator q/q	4Q S	--	2.7	--	2.7	%, saar
3/13/26	10:00 AM	U. of Mich. Sentiment	Mar P	--	55.0	--	56.6	index, nsa
3/13/26	10:00 AM	U. of Mich. 1 Yr Inflation	Mar P	--	3.7	--	3.4	nsa
3/13/26	10:00 AM	U. of Mich. 5-10 Yr Inflation	Mar P	--	3.4	--	3.3	nsa
3/13/26	10:00 AM	JOLTS Job Openings	Jan	--	6,750	--	6,542	k, sa
3/13/26	10:00 AM	JOLTS Quits	Jan	--	3,109	--	3,204	%, 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
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	10:00 AM	Wards Total Vehicle Sales	Feb	15.8	15.4	--	14.9	m, saar
3/4/26	7:00 AM	MBA Mortgage Applications w/w	Feb 27	11.0	--	--	0.4	%, sa
3/4/26	8:15 AM	ADP Employment m/m	Feb	63	50	11	22	k, sa
3/4/26	9:45 AM	S&P Global US Services PMI	Feb F	51.7	52.3	--	52.3	index, sa
3/4/26	9:45 AM	S&P Global US Composite PMI	Feb F	51.9	52.3	--	52.3	index, sa
3/4/26	10:00 AM	ISM Services Index	Feb	56.1	53.5	--	53.8	index, nsa
3/5/26	8:30 AM	Import Price Index m/m	Jan	0.2	0.3	0.2	0.1	%, nsa
3/5/26	8:30 AM	Import Price Index y/y	Jan	-0.1	0.1	--	0.0	%, nsa
3/5/26	8:30 AM	Nonfarm Productivity q/q	4Q P	2.8	1.9	5.2	4.9	%, saar
3/5/26	8:30 AM	Unit Labor Costs q/q	4Q P	2.8	2.0	-1.8	-1.9	%, saar
3/5/26	8:30 AM	Initial Jobless Claims	Feb 28	213	215	213	212	k, sa
3/5/26	8:30 AM	Continuing Claims	Feb 21	1,868	1,845	1,822	1,833	k, sa
3/6/26	8:30 AM	Nonfarm Payrolls m/m	Feb	-92	55	126	130	k, sa
3/6/26	8:30 AM	Private Payrolls m/m	Feb	-86	60	146	172	k, sa
3/6/26	8:30 AM	Average Hourly Earnings m/m	Feb	0.4	0.3	--	0.4	%, sa
3/6/26	8:30 AM	Average Hourly Earnings y/y	Feb	3.8	3.7	--	3.7	%, nsa
3/6/26	8:30 AM	Average Weekly Hours All Employees	Feb	34.3	34.3	--	34.3	sa
3/6/26	8:30 AM	Unemployment Rate	Feb	4.4	4.3	--	4.3	%, sa
3/6/26	8:30 AM	Labor Force Participation Rate	Feb	62.0	62.5	62.1	62.5	%, sa
3/6/26	8:30 AM	Advance Retail Sales m/m	Jan	-0.2	-0.3	--	0.0	%, sa
3/6/26	8:30 AM	Retail Sales Control Group m/m	Jan	0.3	0.3	0.0	-0.1	%, sa
3/6/26	10:00 AM	Business Inventories m/m	Dec	0.1	0.1	0.0	0.1	%, sa
3/6/26	3:00 PM	Consumer Credit m/m	Jan	8.0	12.7	25.2	24.0	\$B, sa

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