

HaMMR Digest

Stay current with economic and mortgage market trends.

March 16, 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

A Shock to the System

- **Key Takeaway:** A data-heavy week that came in soft was overshadowed by the Mideast conflict lifting oil prices close to \$100/bbl.
- **Macro Implications:** Against a backdrop of higher yields, rising inflation expectations and delayed Fed cuts sits a consumer that has clearly pared spending.
- **Housing Implications:** Hopeful buyers and sellers facing another round of uncertainty and rising mortgage rates will likely lead to another soft selling season.

Macro: Range of Outcomes Just Got Much Wider

- 4Q25 real GDP growth cut in half (0.7% SAAR), but underlying trend solid at 2%.
- Administration begins section 301 tariff investigations across 60 countries.
- Middle East conflict enters third week with no sign of de-escalation.

Rates: Fed Should Look through Supply-Driven Oil Shock, Right?

- Treasury yields rising alongside inflation expectations from higher oil prices.
- 2yr and 10yr yields making multi-month highs in bear-flattening fashion.
- Markets discounting growth impacts from higher oil costs, pushing out Fed cuts.

Housing: Not Great, Bob

- Mortgage rates jumped back to Sept. '25 level, erasing months of gradual declines.
- In-progress deals should close; rate spike will weigh on spring contract activity.
- With inventory still tight, median list and sales prices keep inching higher.

Consumer Inflation: Calm before the Oil Storm

- Feb. CPI inflation rose 0.27% m/m, keeping annual growth at 2.4%.
- Ongoing strength in tariffed goods masked by cooling shelter within core.
- Oil spike will push March's print higher; piped gas has held near 10% y/y.

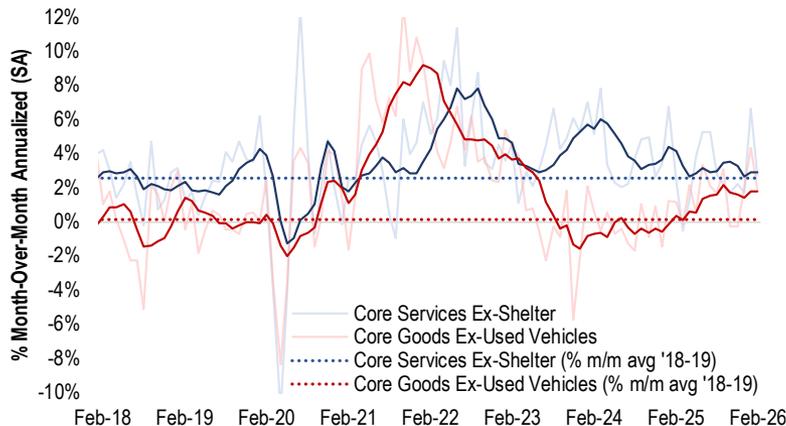
Personal Spending: Trend Is Not Your Friend

- Real disposable income growth got a lift from beneficial tax changes.
- Labor income has rebounded but growth is modest at 1.7% y/y in real terms.
- Real discretionary spending has cooled significantly over prior six months.

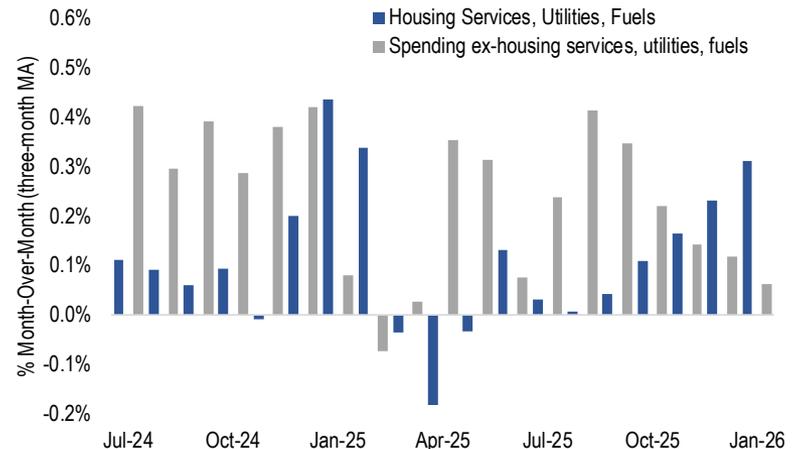
Existing Home Sales: Mediocre

- Existing home sales rose 1.7% m/m in February but still down -1.4% y/y.
- Inventory has grown or held flat for six consecutive months.
- Single-family months' supply at 4.35, highest since 2016.

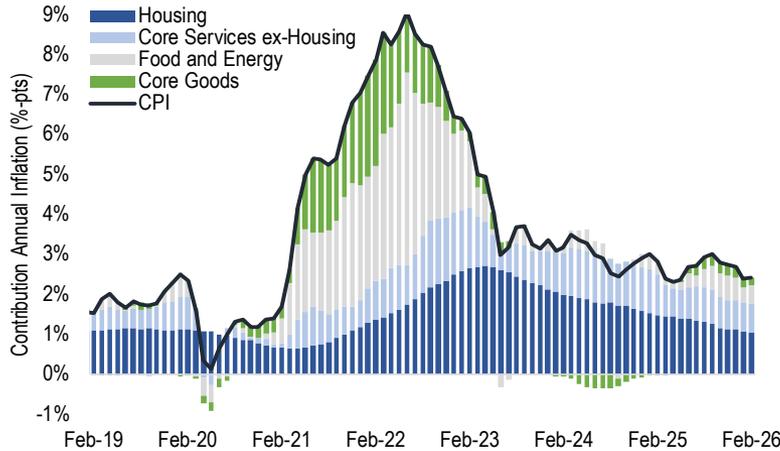
Headline CPI Inflation Relatively under Control with Steady Trend in Services Outweighing Lift in Core Goods



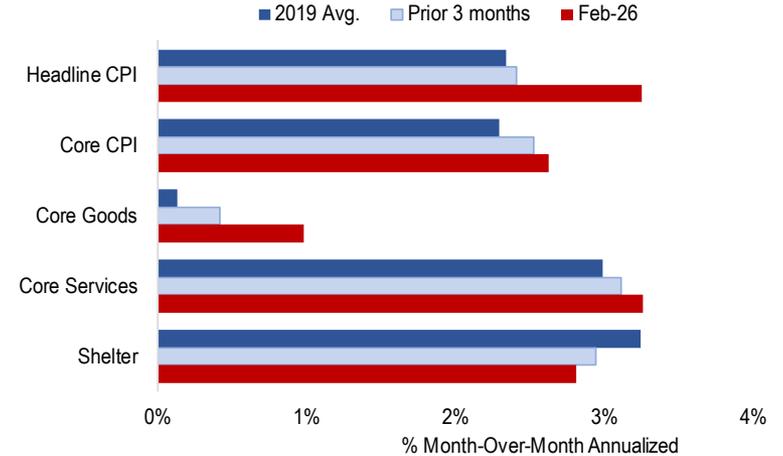
Real Spending Ex-Housing Has Tumbled, Driven by Soft Durable Goods and Restaurant Outlays



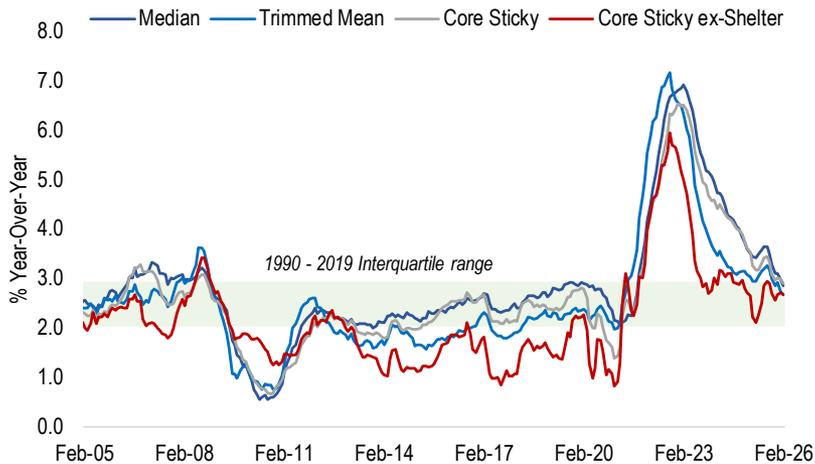
Annual Consumer Inflation Stayed at 2.4% in Feb. as Firm Core Goods Prices Were Offset by Cooler Shelter



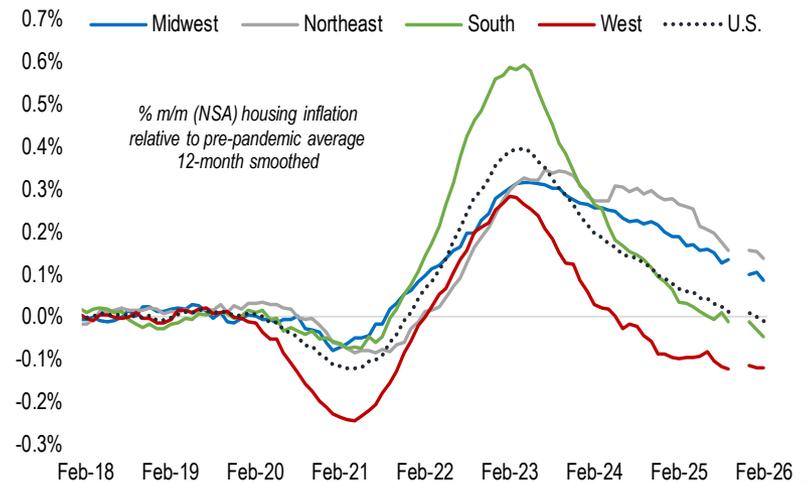
Airline Fares Retreated in February, Offset by a Rebound in Medical Care and Hotel Pricing, Lifting Core Services



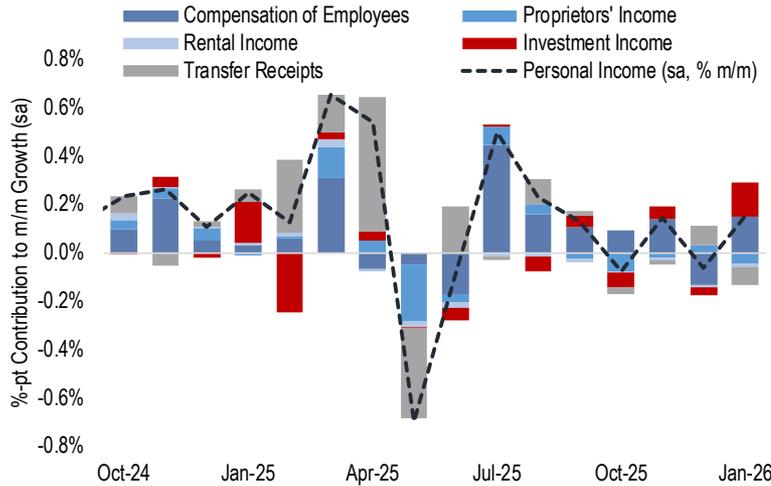
Underlying Inflation Measures Contained within Normal Range — for Now



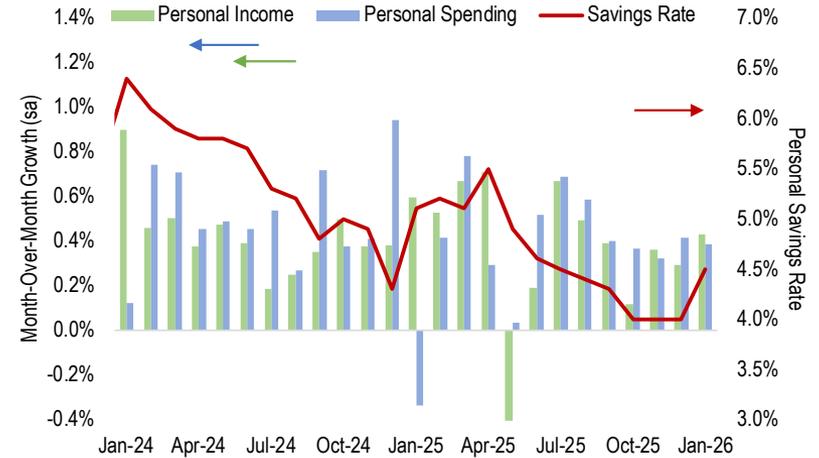
Shelter Inflation (~40% of CPI) Getting Dragged Lower by Soft Rent, Home Prices in the South and West



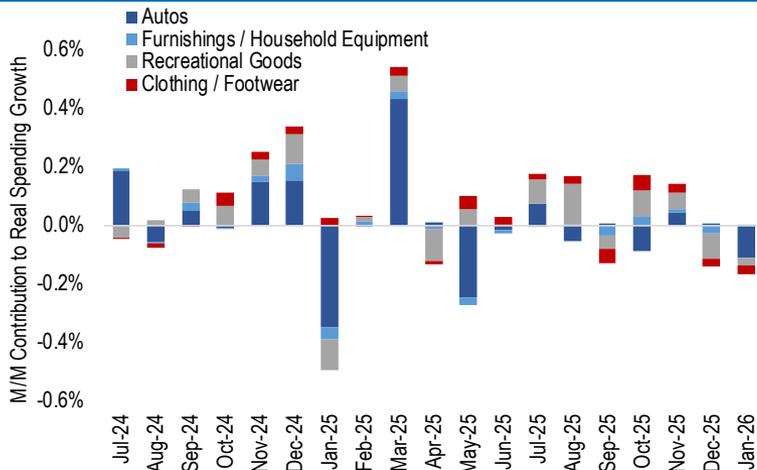
Real Labor Income Has Rebounded from Summer Weakness, but the Gain Remains Modest



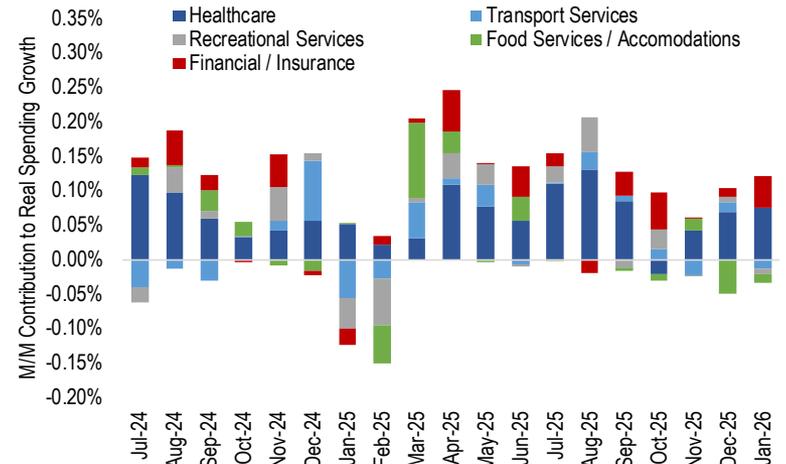
Household Savings Rate Flattered by Higher Incomes Related to Reduction in Income Tax Rates



Real Goods Spending Has Been Negative for the Last Two Months



Services Contribution to Total Spending Steady, Driven by Healthcare and Financial Services



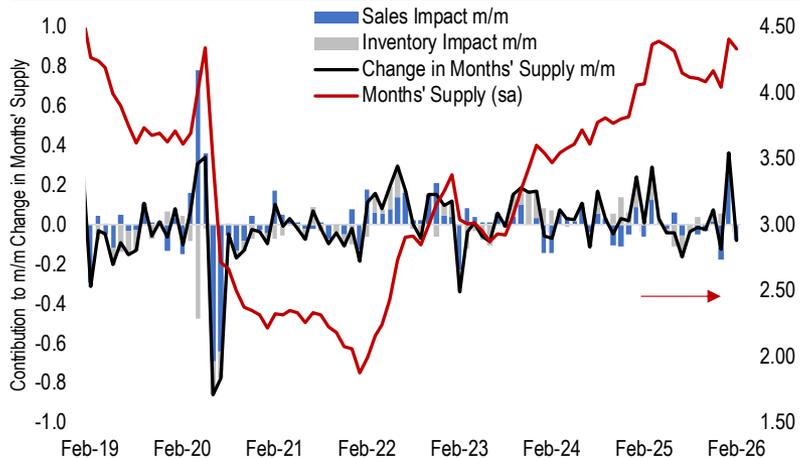
Despite the Rebound in February, Existing Home Sales Have Been Trending Flat for Prior Six Months



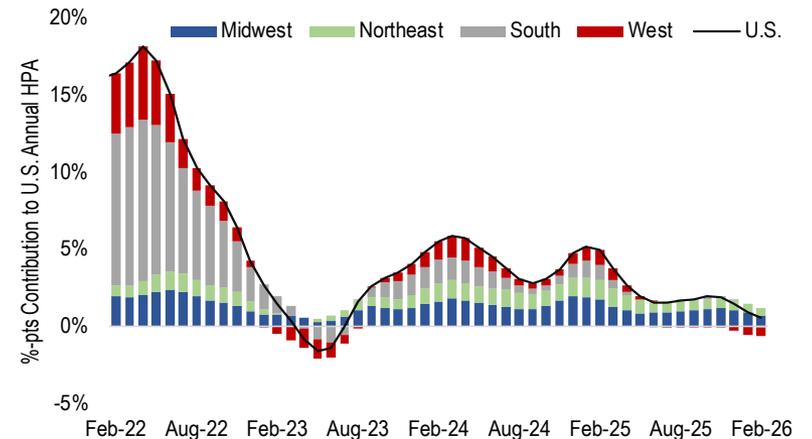
Sellers Remained Cautious Amid Tepid Listings Growth, Helping Control Total Inventory Levels



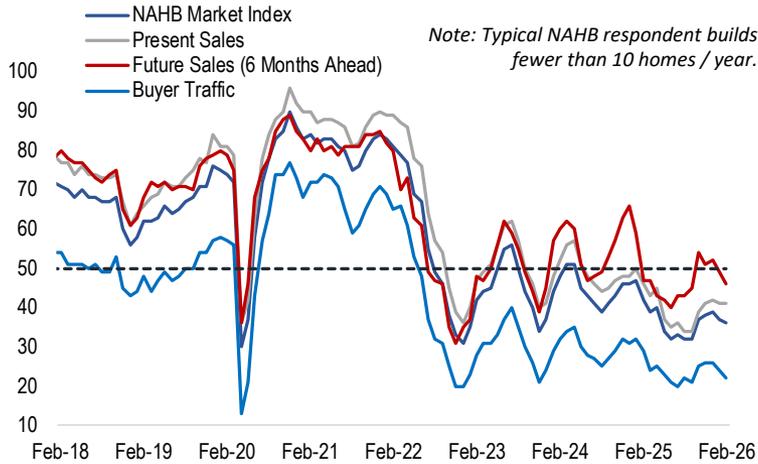
Months' Supply Inched Down in February, but Remained near Recent Highs



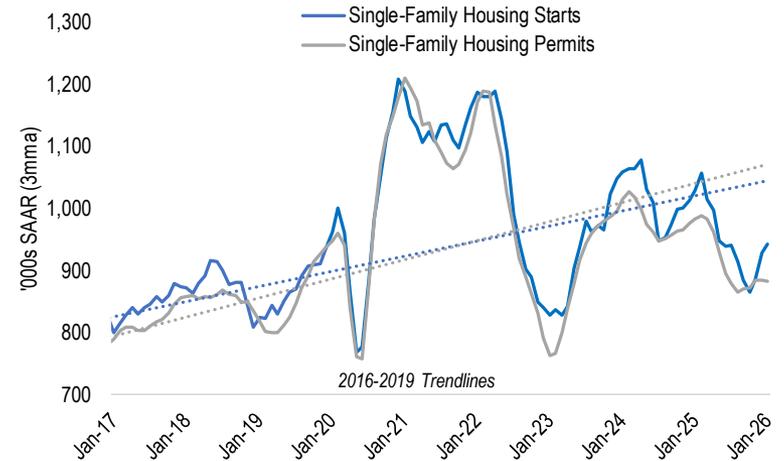
Sales Price Momentum Has Clearly Cooled with Annual Declines Since Last Summer in the West



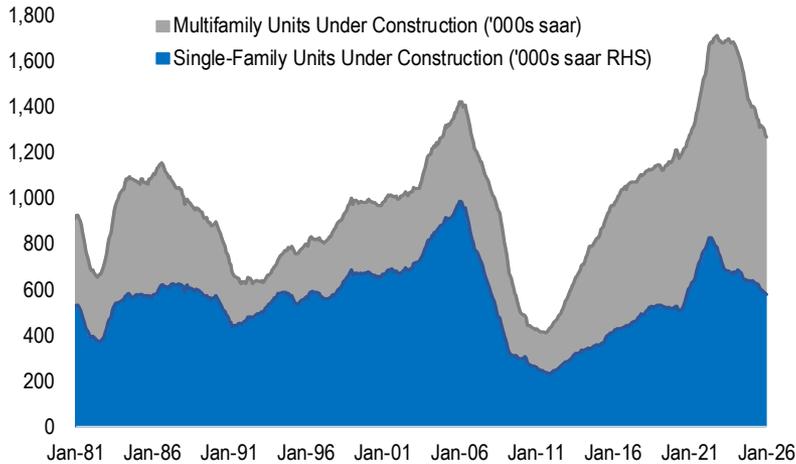
Builder Optimism on Future Sales Has Soured Since 4Q25, Following the Reversal in Buyer Traffic



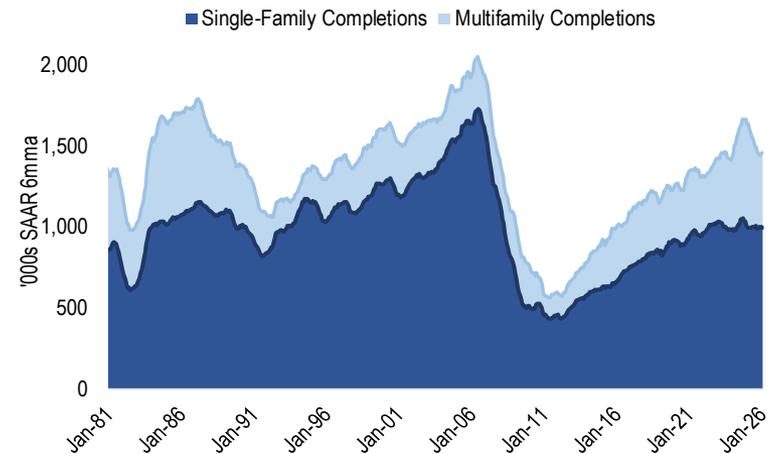
Single-Family Starts Tend to Be Volatile with Large Error Bands; Permits Better Reflect Underlying Trend



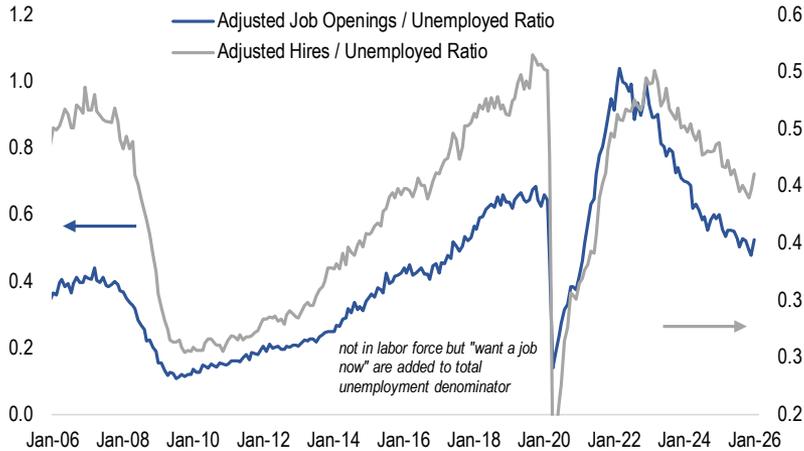
Single-Family Units in the Pipeline Trending Lower as Starts Activity Trails Completions



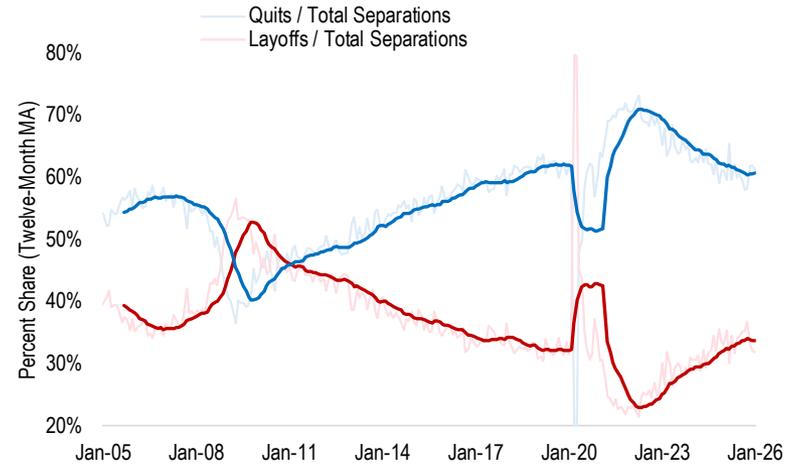
With Starts Likely to Remain Weak Near Term, Completions Will Comprise Most Builder Activity



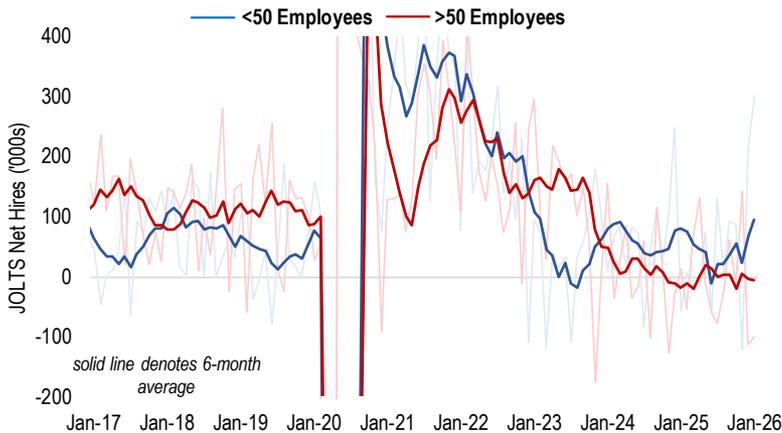
Latest JOLTS Data Showed a Pickup in Openings Led by Financial Services, Manufacturing and Retail



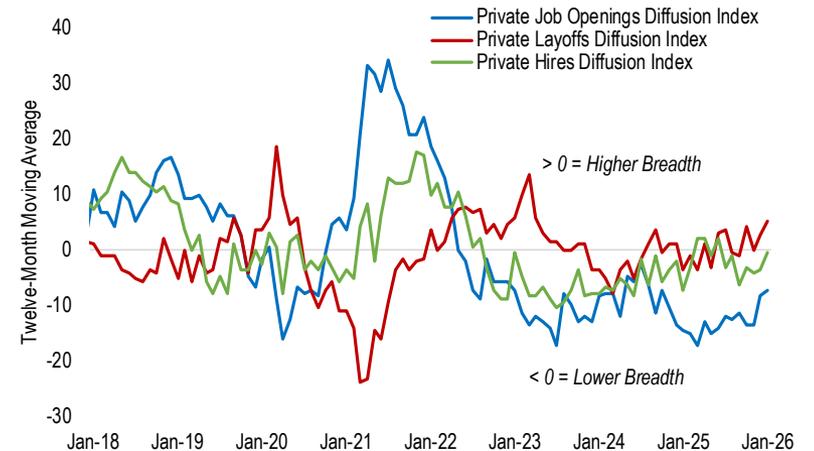
Quits Saw a Jolt to the Upside While Layoffs as a Share of Separations Appear to Be Cresting



Net Hiring by Smaller Firms Perked Up While Larger Firms Seem Inclined to Hold the Line on Staffing



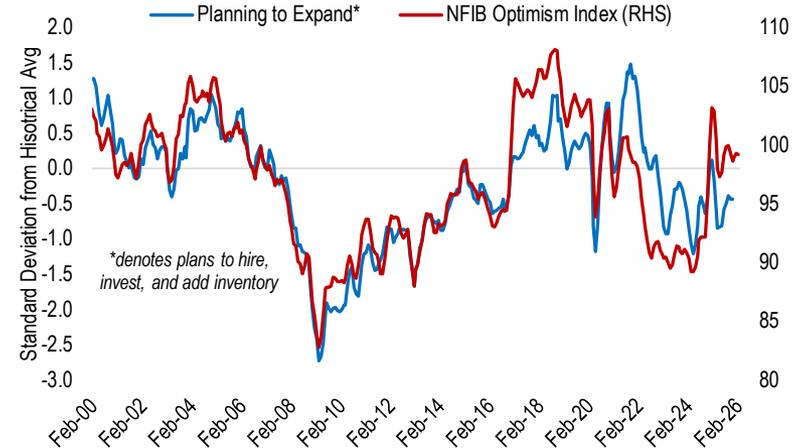
Turnover Breadth Has Increased across the Board with Fewer Logistics Layoffs Offset by Uplift Elsewhere



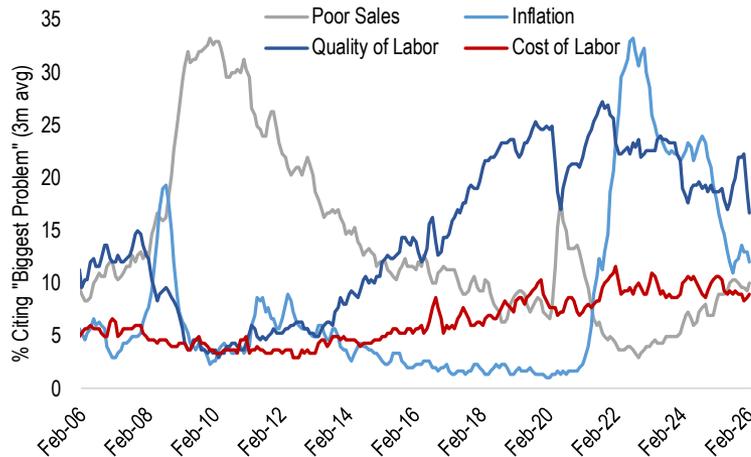
Small Businesses Have Turned More Sanguine about Future Revenue ...



... But Plans to Expand Have Been Tame, Suggesting Sentiment Improvement Has Yet to Alter Behavior



Uptick in Firms Citing "Poor Sales" as Top Problem, but Fewer Concerns about "Labor Quality"



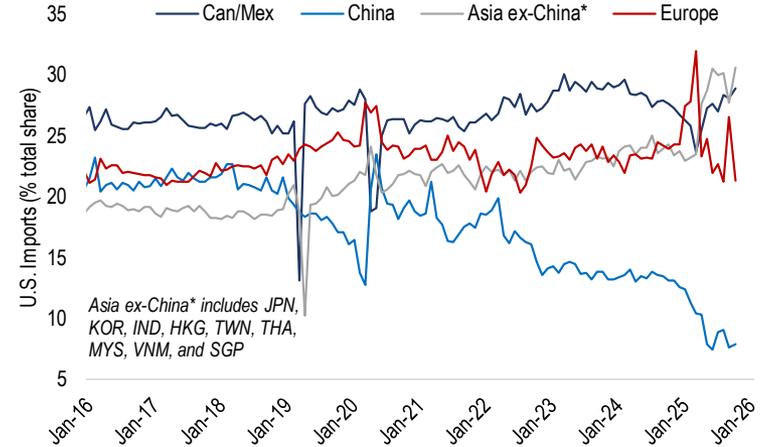
Firms Plan to Raise Prices Near Term as Input Costs Rise and Margins Compress



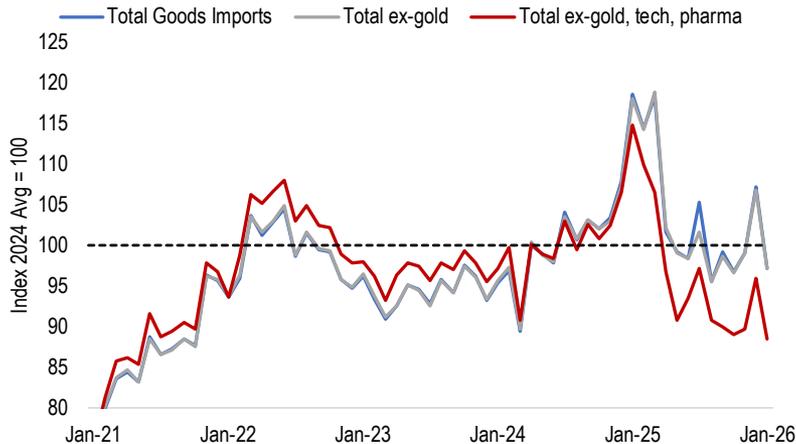
Whipsaw from Trade Policies Still Lingering as Overall Trade Balance Mix Finding New Normal



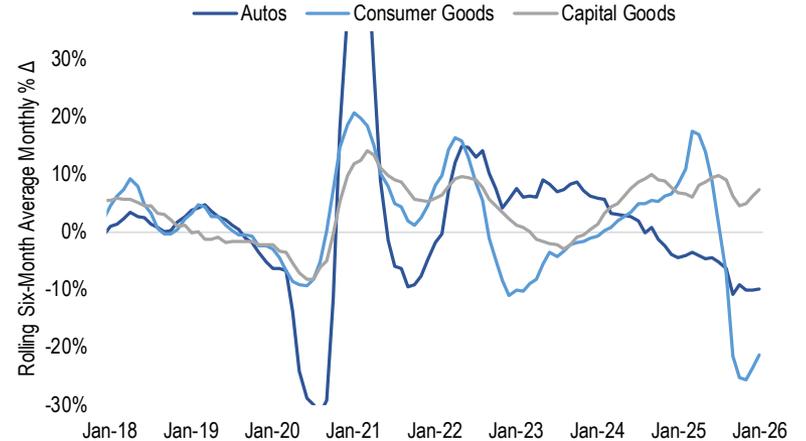
Merchandise Import Share for Asia Ex-China Elevated as Europe Normalizes after Early-2025 Pharma Surge



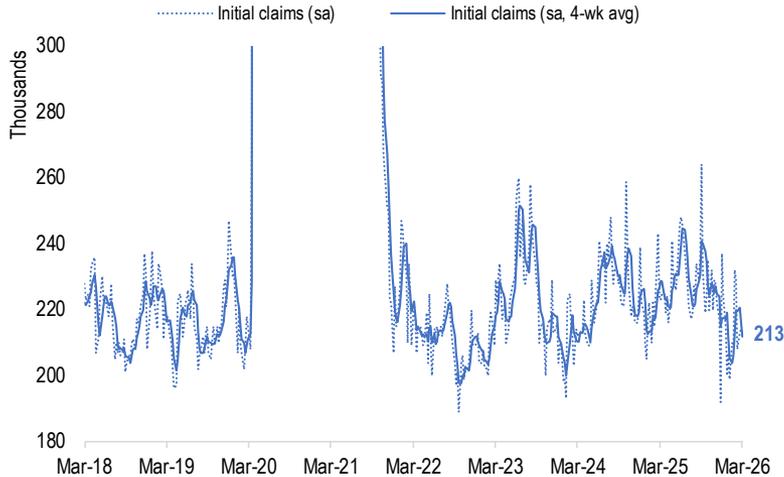
U.S. Imports Are above the 2024 Average Despite Ex-Gold, Tech and Pharma Running Well Below...



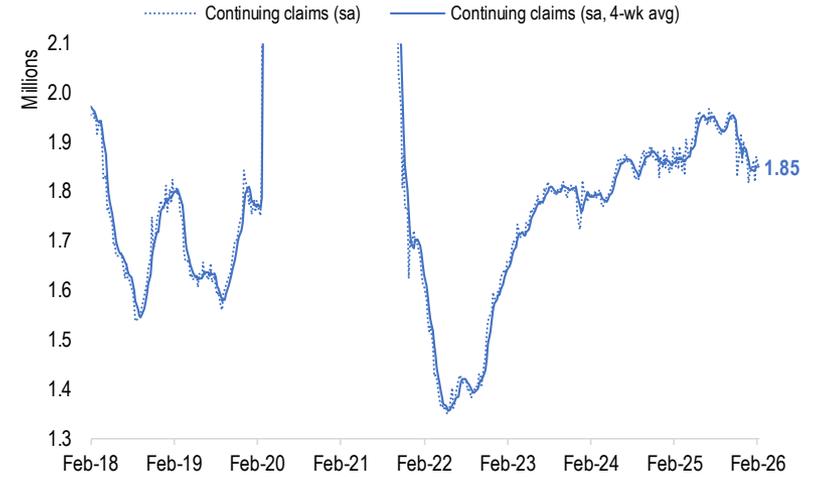
... Which Is Driven Primarily by Consumer Goods and Autos, a Byproduct of Inventory Drawdowns



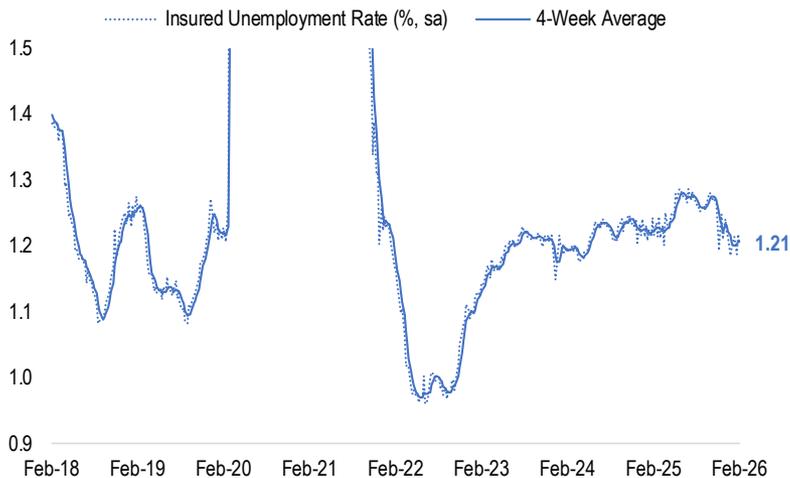
Initial Claims Inched Down to 213k (sa) in Week Ending Mar. 7, Just Above Multi-Year Low



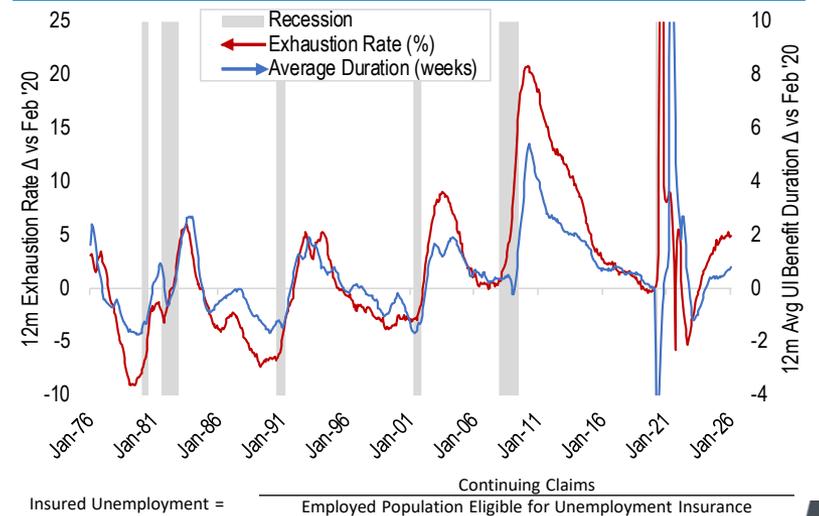
Continuing Claims Also Headed Lower to 1,850k sa during Week Ending Feb. 28, Just Above 2-Year Low



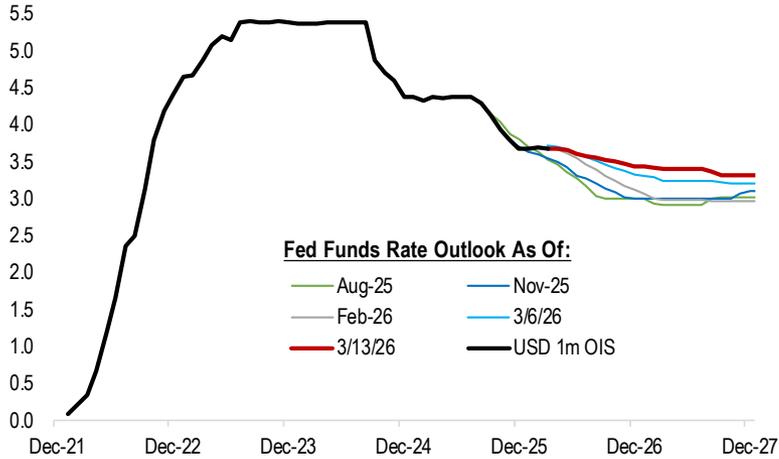
Insured Unemployment Rate Edged Down to 1.21%, Just Above Lowest Level Since 2024



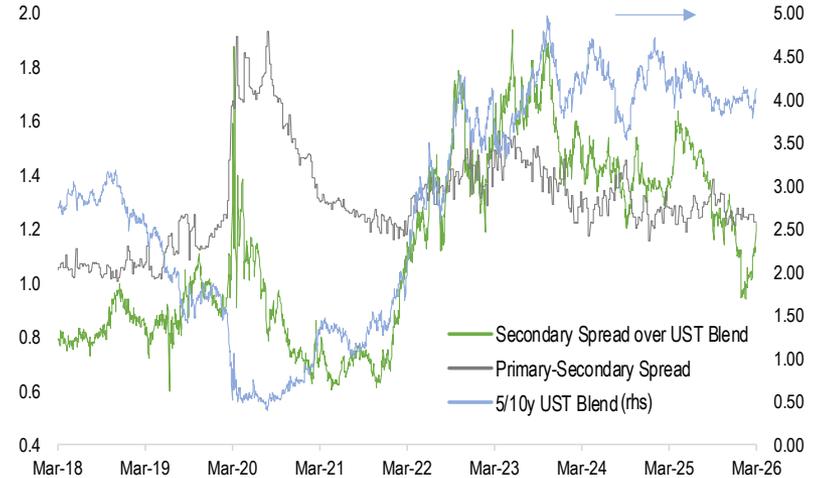
Claims Data Would Look Worse If Not for Multi-Year High Exhaustion Rate and Duration of Unemployment



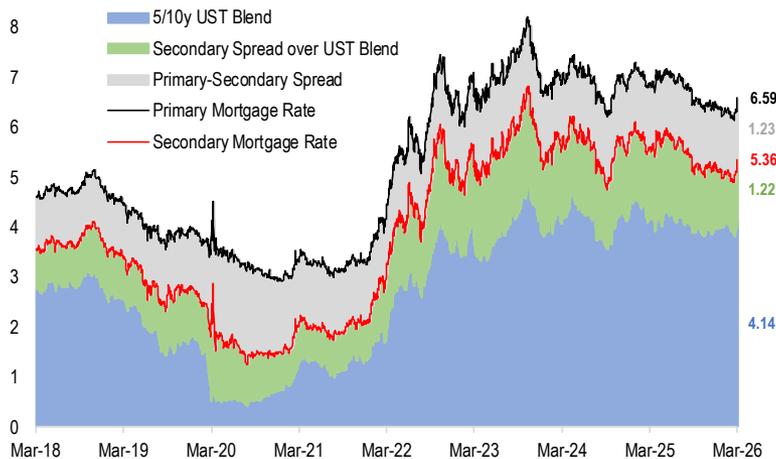
Market Now Pricing in Only One 25bps Rate Cut in '26 as Iranian Conflict Continues to Stoke Inflation Concerns



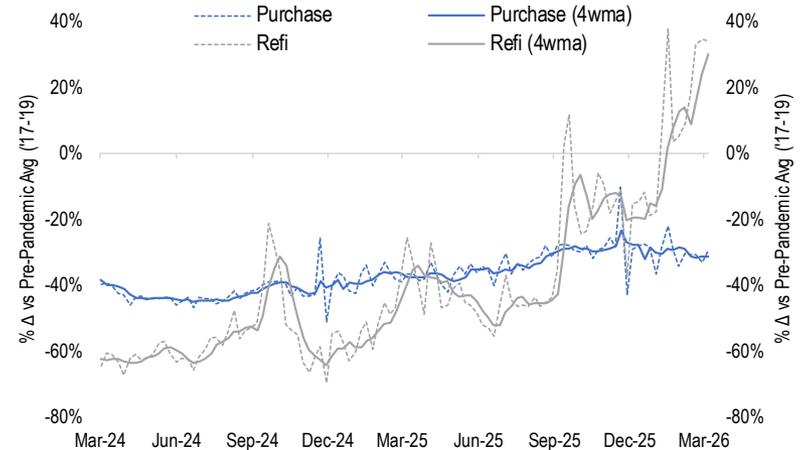
Mortgage Spreads Widened 9bps Last Week, Piling On to the 14bps Surge in UST Yields ...



... Which Caused Mortgage Rates to Jump Back to Sept. Levels, Erasing Months of Downward Progress



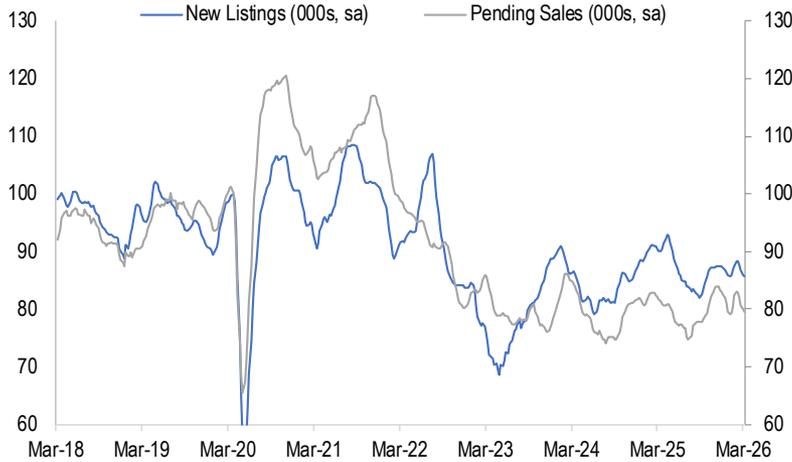
Mortgage Purchase Applications Remained Muted and Rebound in Refi Apps Started to Cool



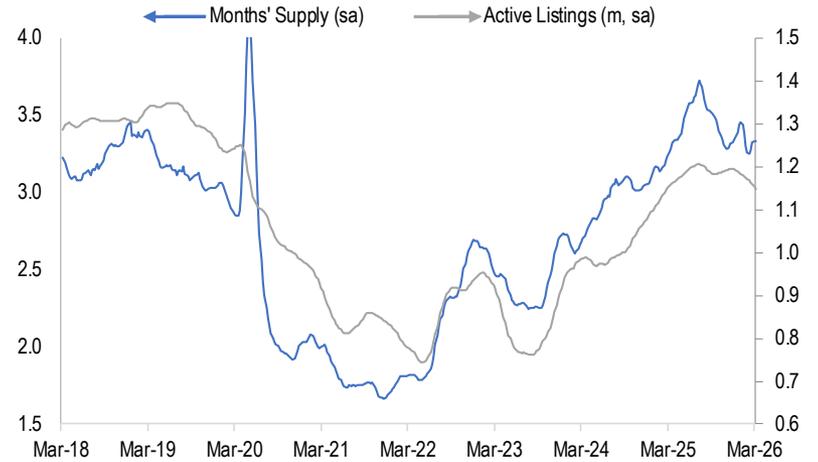
Sources: Bloomberg, FRB, Mortgage Bankers Association, Arch Global Economics

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

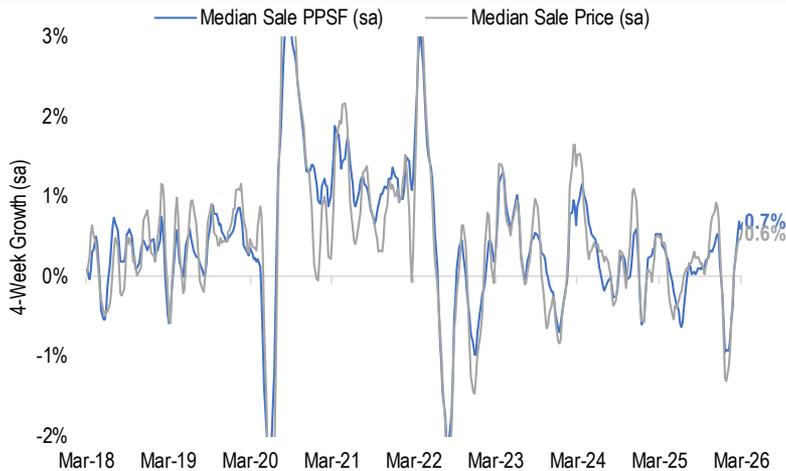
Tentative Rebound in Pending Home Sales Has Faded in Recent Weeks through Early March ...



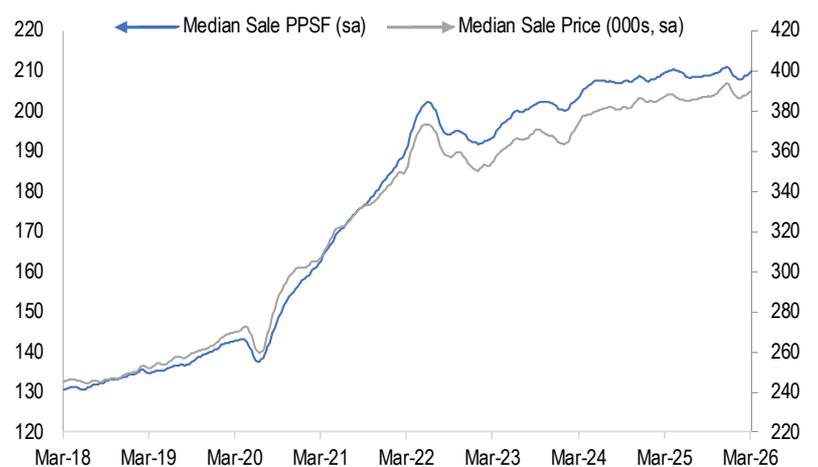
... Which Has Turned the Tide for Months' Supply after Tightening over the Course of January



Seasonally Adjusted Home-Price Growth Rebound Fading as Market Softens



Prior Home-Price Downshift Is Cooling, with Signs of a Rebound Emerging through 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	0.7%	-0.3%	1.2%	0.2%	5.9%	0.9%	98.1%	-0.2%	-2.4	-9.9	-2%	0%	-4%
Atlanta	-1.4%	0.9%	1.9%	1.4%	5.8%	1.0%	97.9%	-0.1%	24.3	16.5	-3%	22%	20%
Austin	-6.5%	-3.1%	1.2%	5.7%	7.8%	1.7%	97.3%	0.0%	59.0	55.8	2%	109%	99%
Baltimore	3.3%	2.5%	-0.2%	-0.4%	5.3%	0.5%	99.8%	-0.8%	-12.0	-20.8	9%	-14%	-30%
Boston	0.1%	-1.4%	3.0%	3.3%	3.1%	-0.1%	99.9%	-1.2%	-0.6	-8.5	4%	-2%	-15%
Chicago	3.7%	-0.5%	4.6%	0.7%	3.1%	0.7%	99.3%	0.0%	-14.8	-16.4	-7%	-28%	-28%
Dallas	-3.9%	1.1%	0.2%	4.0%	7.7%	1.1%	97.2%	-0.3%	45.4	28.4	-3%	71%	47%
Denver	0.4%	5.8%	6.1%	4.5%	7.6%	0.0%	98.8%	-0.2%	22.9	21.4	2%	78%	70%
Houston	-2.6%	-0.3%	0.8%	1.5%	7.6%	1.8%	96.0%	-0.5%	26.0	8.4	0%	32%	22%
Los Angeles	-1.9%	-0.8%	-0.4%	-0.7%	4.3%	1.0%	99.6%	-0.8%	2.6	-0.2	-5%	25%	18%
Miami	-0.8%	2.1%	-0.2%	-0.3%	4.2%	0.4%	95.3%	-0.3%	29.2	25.2	-9%	21%	22%
Minneapolis	0.5%	-0.4%	1.7%	1.8%	5.1%	1.4%	99.2%	-0.1%	9.7	2.5	1%	6%	-7%
Nashville	0.2%	0.6%	0.2%	-0.1%	4.6%	1.0%	97.6%	-0.4%	33.4	15.5	8%	35%	15%
New York	3.4%	-2.8%	6.1%	-2.8%	3.1%	0.3%	98.9%	-0.1%	-55.1	-56.1	-7%	-26%	-29%
Phoenix	-3.0%	-1.6%	2.8%	2.7%	7.9%	0.4%	97.9%	-0.2%	17.1	14.7	0%	43%	41%
Portland	-2.8%	-1.1%	1.0%	1.9%	6.8%	1.6%	99.4%	-0.3%	17.1	5.6	1%	45%	44%
Riverside	-1.3%	2.3%	1.4%	0.2%	5.2%	0.6%	98.7%	-0.1%	1.2	-5.9	-11%	2%	10%
San Diego	-0.8%	2.6%	0.3%	1.4%	5.2%	0.9%	99.1%	-0.5%	2.8	-3.0	-6%	-2%	7%
Seattle	-1.5%	0.9%	0.6%	1.6%	6.3%	1.5%	99.9%	-1.4%	0.1	-5.9	25%	73%	25%
Tampa	3.5%	3.0%	2.5%	3.6%	8.8%	0.3%	96.8%	0.2%	13.1	8.8	-8%	39%	36%
Washington DC	-2.9%	-4.4%	2.0%	3.6%	4.0%	0.1%	99.8%	-0.4%	7.7	-4.8	10%	7%	-5%

Data as of March 8, 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
3/16/26	9:15 AM	Industrial Production m/m	Feb	0.2	0.1	--	0.7	%, sa
3/16/26	9:15 AM	Capacity Utilization	Feb	76.3	76.2	--	76.2	sa
3/16/26	10:00 AM	NAHB Housing Market Index	Mar	--	37	--	36	index, sa
3/17/26	10:00 AM	Pending Home Sales m/m	Feb	--	-0.7	--	-0.8	%, sa
3/17/26	10:00 AM	Pending Home Sales y/y	Feb	--	--	--	-1.2	%, nsa
3/18/26	7:00 AM	MBA Mortgage Applications w/w	Mar 13	--	--	--	3.2	%, sa
3/18/26	8:30 AM	PPI Final Demand m/m	Feb	--	0.3	--	0.5	%, sa
3/18/26	8:30 AM	PPI Core (ex Food and Energy) m/m	Feb	--	0.3	--	0.8	%, sa
3/18/26	8:30 AM	PPI Final Demand y/y	Feb	--	3.0	--	2.9	%, nsa
3/18/26	8:30 AM	PPI Core (ex Food and Energy) y/y	Feb	--	3.7	--	3.6	%, nsa
3/18/26	10:00 AM	Durable Goods Orders m/m	Jan F	--	0.0	--	0.0	%, sa
3/18/26	10:00 AM	Cap Goods Orders Nondef Ex Air m/m	Jan F	--	--	--	0.0	%, sa
3/18/26	10:00 AM	Cap Goods Ship Nondef Ex Air m/m	Jan F	--	--	--	-0.1	%, sa
3/18/26	2:00 PM	FOMC Rate Decision (Upper Bound)	Mar 18	--	3.75	--	3.75	%
3/19/26	-	Building Permits	Jan F	--	--	--	1,376	k, saar
3/19/26	-	Building Permits m/m	Jan F	--	--	--	-5.4	%, sa
3/19/26	8:30 AM	Initial Jobless Claims	Mar 14	--	215	--	213	k, sa
3/19/26	8:30 AM	Continuing Claims	Mar 7	--	1,850	--	1,850	k, sa
3/19/26	8:30 AM	Philadelphia Fed Business Outlook	Mar	--	10.0	--	16.3	index, sa
3/19/26	10:00 AM	Conference Board Leading Index m/m	Feb	--	-0.1	--	-0.2	%, sa
3/19/26	10:00 AM	New Home Sales	Jan	--	720	--	745	k, saar
3/19/26	10:00 AM	New Home Sales m/m	Jan	--	-2.7	--	-1.7	%, sa
3/19/26	10:00 AM	Wholesale Inventories m/m	Jan F	--	0.2	--	0.2	%, sa
3/19/26	10:00 AM	Wholesale Trade Sales m/m	Jan	--	--	--	1.0	%, 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
3/9/26	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	98.8	99.6	--	99.3	index, sa
3/10/26	10:00 AM	Existing Home Sales	Feb	4.1	3.9	4.0	3.9	m, saar
3/10/26	10:00 AM	Existing Home Sales m/m	Feb	1.7	-0.8	-5.9	-8.4	%, sa
3/11/26	7:00 AM	MBA Mortgage Applications w/w	Mar 6	3.2	--	--	11.0	%, sa
3/11/26	8:30 AM	CPI m/m	Feb	0.3	0.3	--	0.2	%, sa
3/11/26	8:30 AM	CPI Core (ex Food and Energy) m/m	Feb	0.2	0.2	--	0.3	%, sa
3/11/26	8:30 AM	CPI y/y	Feb	2.4	2.4	--	2.4	%, nsa
3/11/26	8:30 AM	CPI Core (ex Food and Energy) y/y	Feb	2.5	2.5	--	2.5	%, nsa
3/12/26	8:30 AM	Initial Jobless Claims	Mar 7	213	215	214	213	k, sa
3/12/26	8:30 AM	Continuing Claims	Feb 28	1,850	1,849	1,871	1,868	k, sa
3/12/26	8:30 AM	Housing Starts	Jan	1,487	1,341	1,387	1,404	k, saar
3/12/26	8:30 AM	Housing Starts m/m	Jan	7.2	-4.5	4.8	6.2	%, sa
3/12/26	8:30 AM	Building Permits	Jan P	1,376	1,410	--	1,455	k, saar
3/12/26	8:30 AM	Building Permits m/m	Jan P	-5.4	-3.1	--	4.8	%, sa
3/13/26	8:30 AM	Personal Income m/m	Jan	0.4	0.5	--	0.3	%, sa
3/13/26	8:30 AM	Personal Spending m/m	Jan	0.4	0.3	--	0.4	%, sa
3/13/26	8:30 AM	Real Personal Spending m/m	Jan	0.1	0.0	--	0.1	%, sa
3/13/26	8:30 AM	PCE Inflation m/m	Jan	0.3	0.3	--	0.4	%, sa
3/13/26	8:30 AM	PCE Inflation y/y	Jan	2.8	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	--	0.4	%, sa
3/13/26	8:30 AM	PCE Core Inflation (ex Food and Energy) y/y	Jan	3.1	3.1	--	3.0	%, nsa
3/13/26	8:30 AM	Durable Goods Orders m/m	Jan P	0.0	1.1	-0.9	-1.4	%, sa
3/13/26	8:30 AM	Cap Goods Orders Nondef Ex Air m/m	Jan P	0.0	0.5	--	0.8	%, sa
3/13/26	8:30 AM	Cap Goods Ship Nondef Ex Air m/m	Jan P	-0.1	0.4	--	1.0	%, sa
3/13/26	8:30 AM	GDP Annualized q/q	4Q S	0.7	1.4	--	1.4	%, saar
3/13/26	8:30 AM	Personal Consumption q/q	4Q S	2.0	2.4	--	2.4	%, saar
3/13/26	8:30 AM	Core PCE Deflator q/q	4Q S	2.7	2.7	--	2.7	%, saar
3/13/26	10:00 AM	U. of Mich. Sentiment	Mar P	55.5	54.8	--	56.6	index, nsa
3/13/26	10:00 AM	U. of Mich. 1 Yr Inflation	Mar P	3.4	3.7	--	3.4	nsa
3/13/26	10:00 AM	U. of Mich. 5-10 Yr Inflation	Mar P	3.2	3.4	--	3.3	nsa
3/13/26	10:00 AM	JOLTS Job Openings	Jan	6,946	6,750	6,550	6,542	k, sa
3/13/26	10:00 AM	JOLTS Quits	Jan	3,137	3,118	3,225	3,204	%, sa
3/13/26	10:00 AM	JOLTS Quits Rate	Jan	2.0	--	--	2.0	%, sa
3/13/26	10:00 AM	JOLTS Layoffs Rate	Jan	1.0	--	--	1.1	%, sa

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

Sources: Bloomberg Consensus Survey of Economists, Arch Global Economics