

HaMMR Digest

Stay current with economic and mortgage market trends.

November 9, 2026

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For Whom the Bell Tolls

- **Key Takeaway:** A volatile week began with a devastating midterm election outcome for the administration, capped by a surprisingly strong payrolls report.
- **Macro Implications:** The election does not alter our outlook; we put more weight on firm incoming data which points to solid growth ahead.
- **Housing Implications:** Risk-off sentiment, muted rate volatility, lower Treasury yields and low securitization rates skew mortgage rates lower.

Macro: Questions Loom

- Democratic election tsunami suggests confrontational legislative gridlock ahead.
- Key to watch will be state and local laws on AI regulation and housing policy.
- Lower oil prices juxtaposed against elevated fuel prices mixed bag for inflation.

Rates: Taking on Water

- 10y UST -9bps w/w and gave up all the gains made post the robust jobs report.
- Yields fell across the curve as the risk asset selloff took precedence over data.
- Market expectations for Fed policy steady at fewer than three hikes by next Dec.

Housing Market: Buyer Strike

- Mortgage rates took another incremental step lower toward 7%.
- Annual growth in weekly pending sales the most negative since 2023.
- Market balance shifting in buyers' favor, putting downward pressure on prices.

Jobs Report: Focus on the Forest, Not the Trees

- Oct. private payrolls rose 159k, above the prior 3- and 6-month avg.
- Unemployment rate down 4bps to 4.14% and below last year's level.
- Rising participation rate and fewer job losers imply steady labor market.

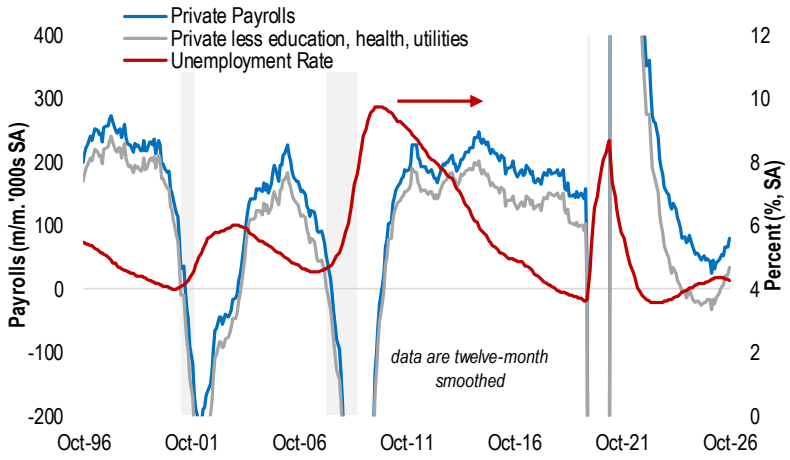
ISM PMI: Businesses Noting Tighter Supply Chains, Firm Demand

- Manufacturing output and new orders remain near multi-year highs.
- Services PMI moderates for second straight month but employment improved.
- Industry-wide pressures on supply chains, input sourcing and prices stay high.

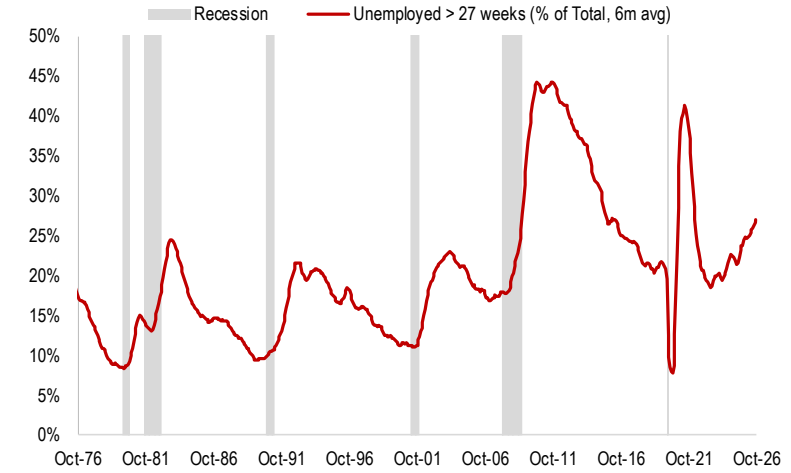
Consumer Credit: Household Still Reticent on Debt

- Consumer credit rose 4.2% SAAR in the three months to Sept. and up 3.0% y/y.
- Revolving credit rebounded in Sept. after a few months of weak growth.
- No signs households are overextending with borrowing costs set to rise.

Labor Demand Showing Clear Signs of Strengthening through the Monthly Noise

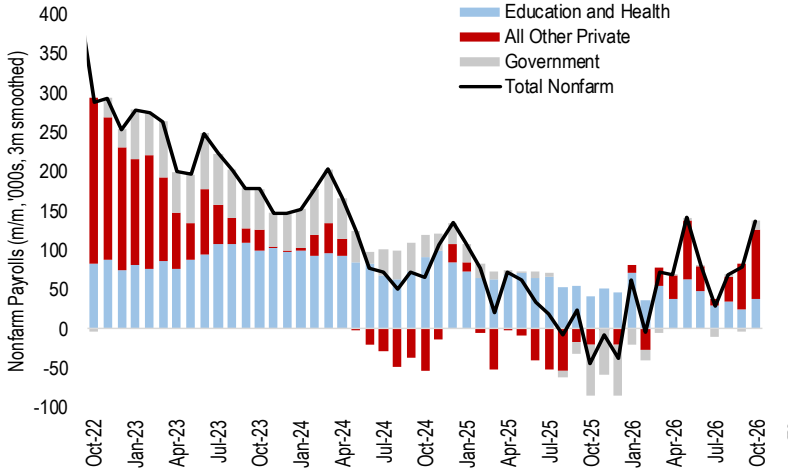


However, the Labor Market Is Still Working for Everyone: Pool of Long-Term Unemployed Still Growing

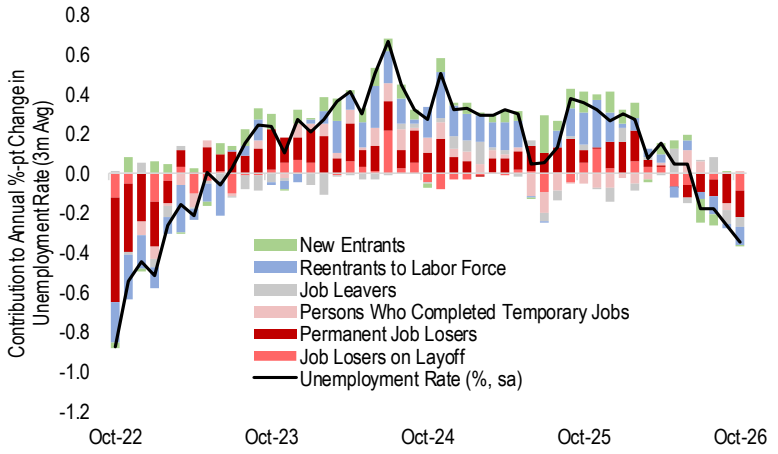


Sources: BLS, Arch Global Economics

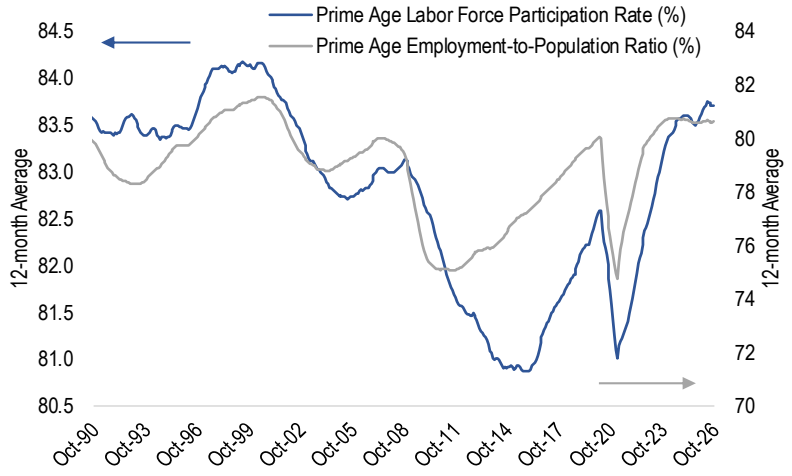
Private Oct. Job Growth, Inclusive of Upward Revisions to Prior Months, Shows Firming Labor Demand



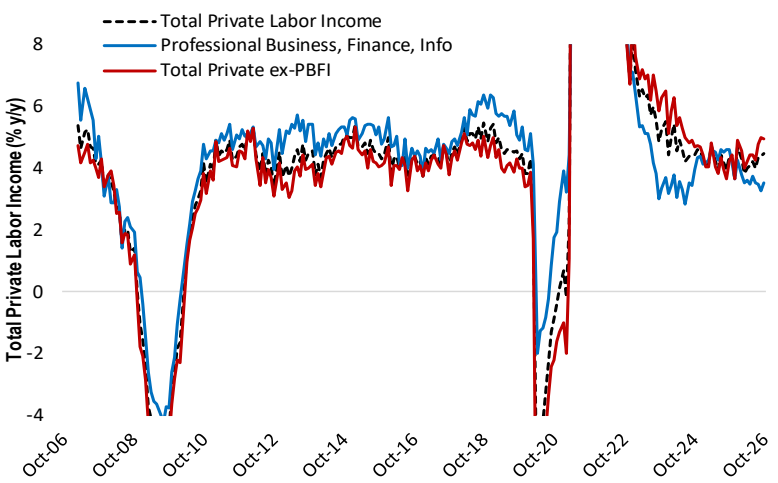
Unemployment Rate Risks Remain Skewed Lower



Prime-Age (25–54) Participation Rate Stabilizing at Healthy Level despite Demographic Headwinds

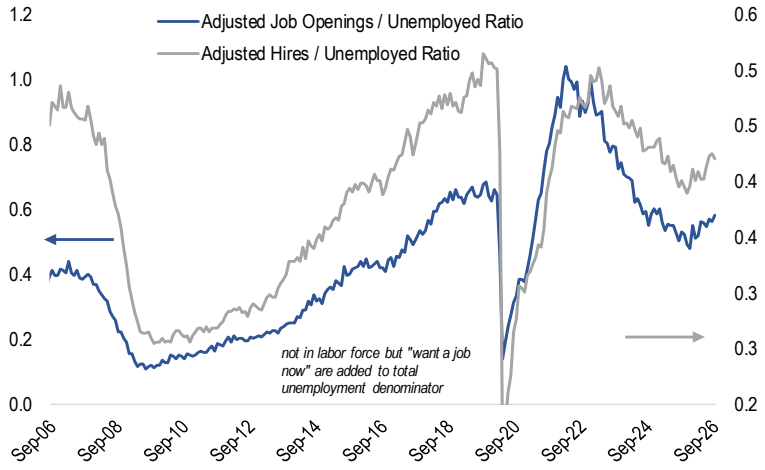


Adjusting for the Disruption in White-Collar Sectors, Hourly Earnings Growth Has Been on the Rise

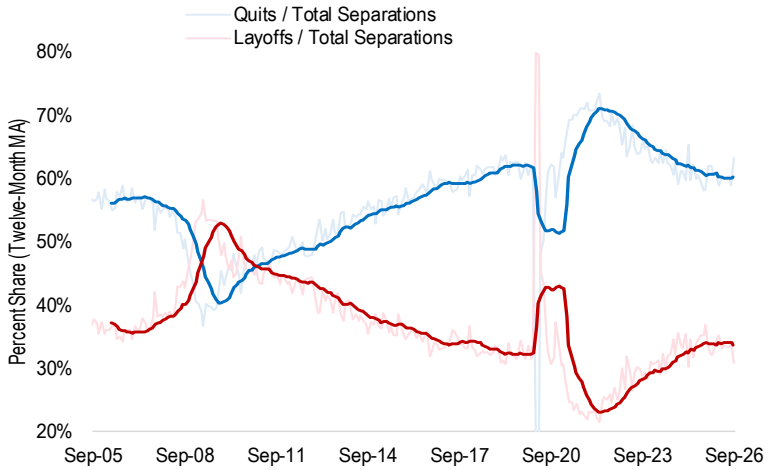


Sources: U.S. Bureau of Labor Statistics, Arch Global Economics

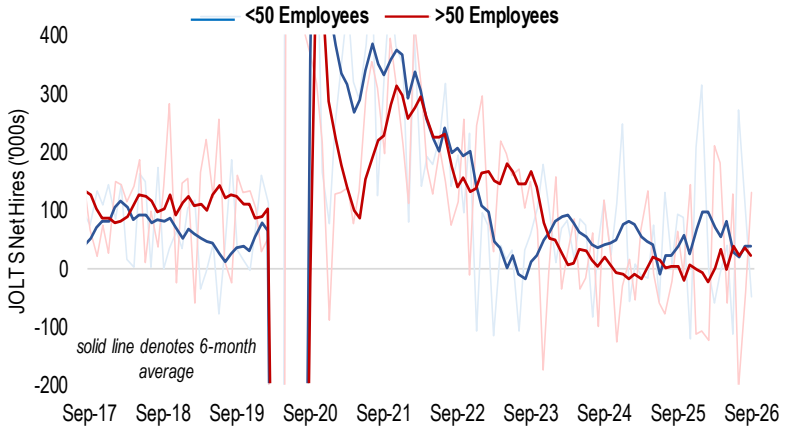
Latest JOLTS Data Showed a Modest Uptick in Openings Driven Largely by Services



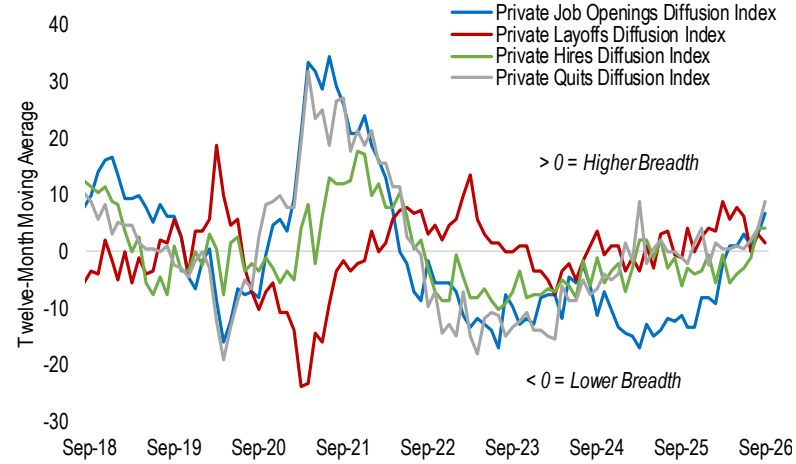
Quits Still Account for ~60% of Separations, with the Layoff Share Steady near One Third



Net Hiring by Larger Firms Posted Modest Rebound as Small Businesses Look to Turn the Corner

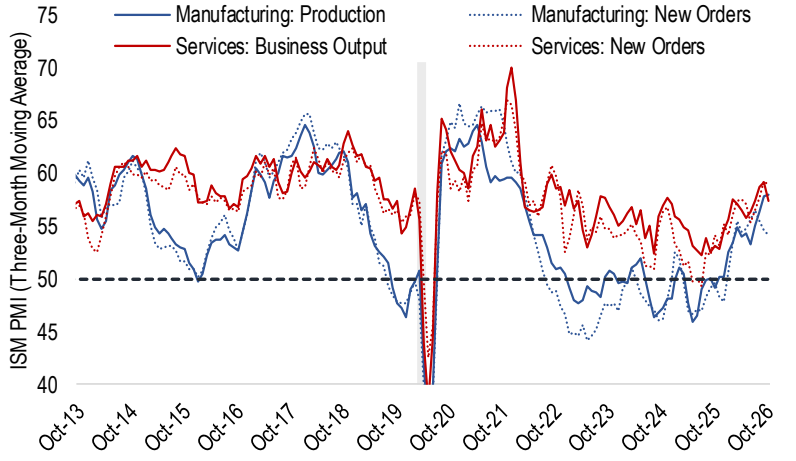


Turnover Breadth Looks to Be Rising with Notable Rise in Openings and Quits

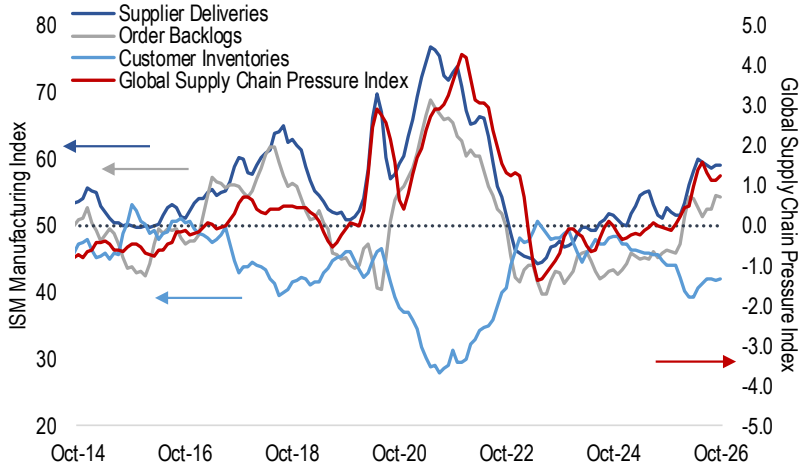


Sources: U.S. Bureau of Labor Statistics, Arch Global Economics

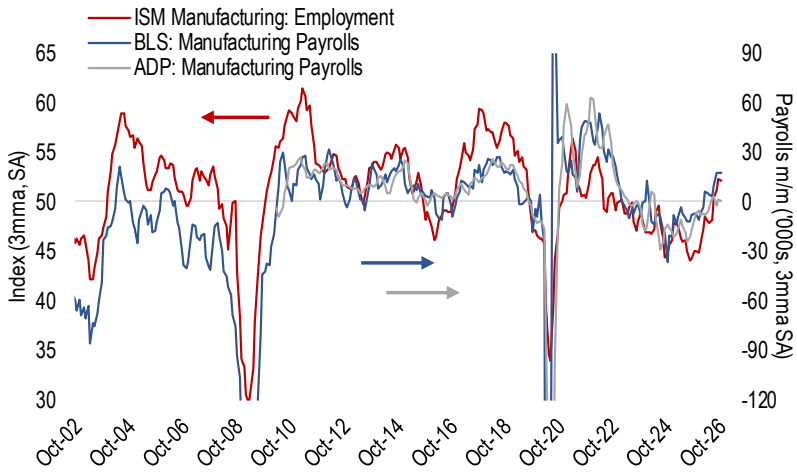
Economy-Wide Activity Remains on Solid Footing despite Slight Moderation



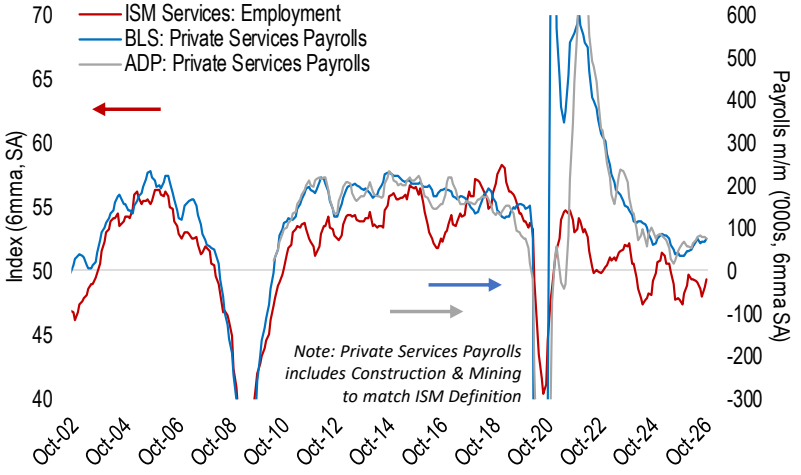
Manufacturing Supply Chains Looking Tight, Backlogs Up and Inventories Low, All Fodder for Price Pressures



Multiple Measures of Manufacturing Employment Trending in Same (Positive) Direction

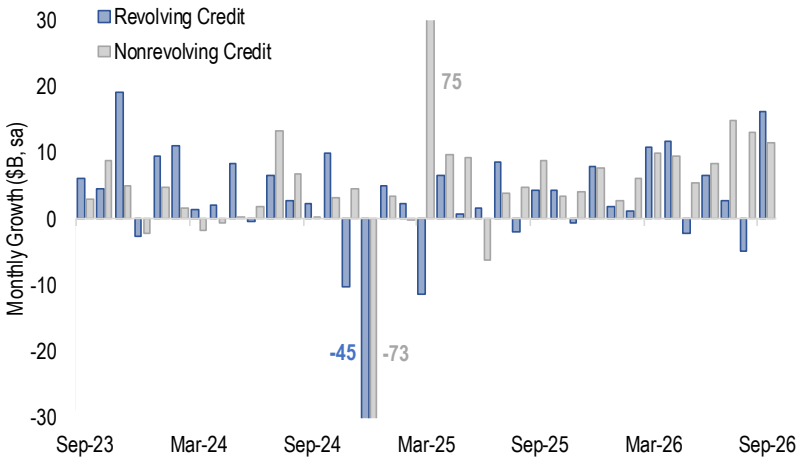


ISM Services Employment Incrementally Catching Up to the More Positive Payrolls Trend

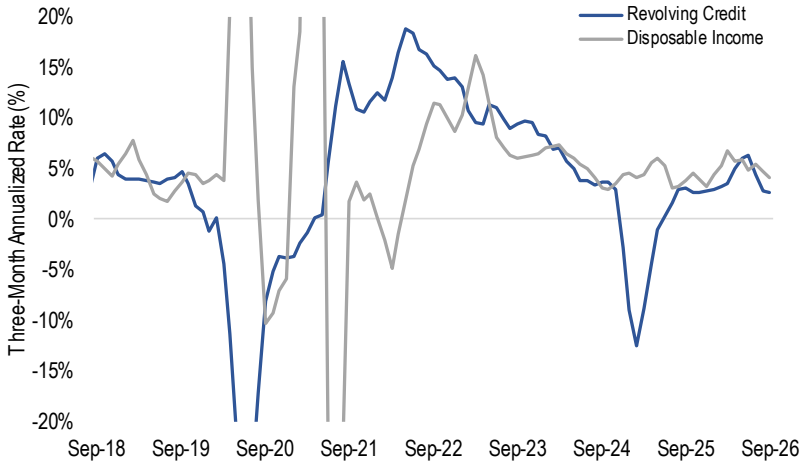


Sources: ISM, FRB, Census Bureau, BLS, Arch Global Economics

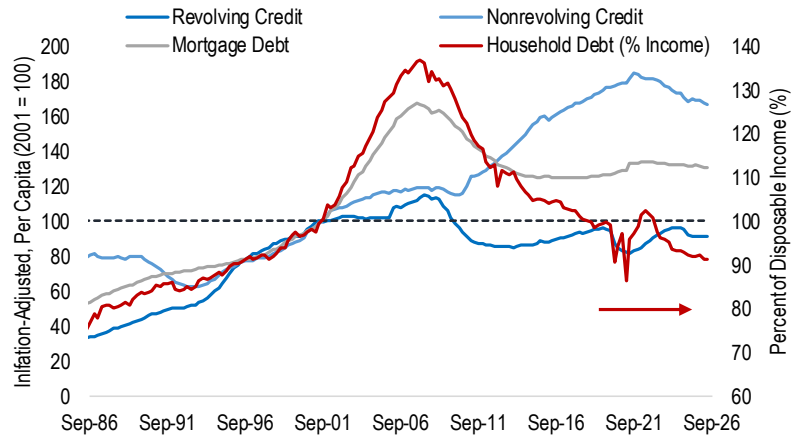
Consumer Credit Growth Has Picked Up Momentum Recently, But Mostly in Non-Revolving Credit



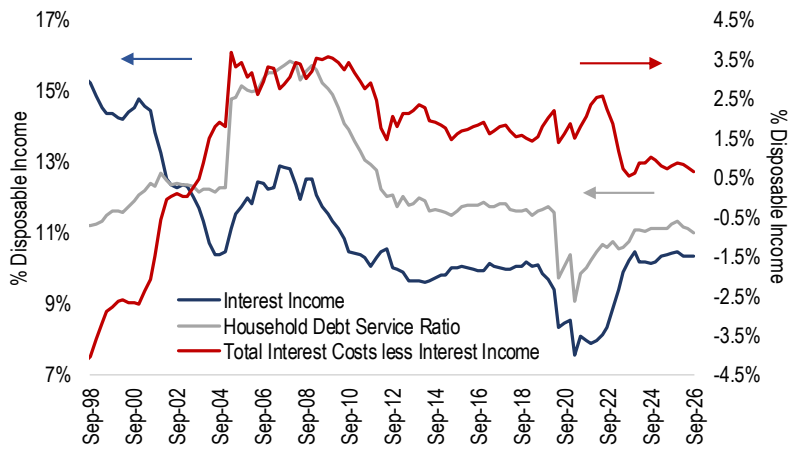
There Are Minimal Signs That Households Are Accumulating Debt above the Rate of Income Growth



Aggregate Household Credit Profile Is Arguably the Healthiest It Has Been in Decades

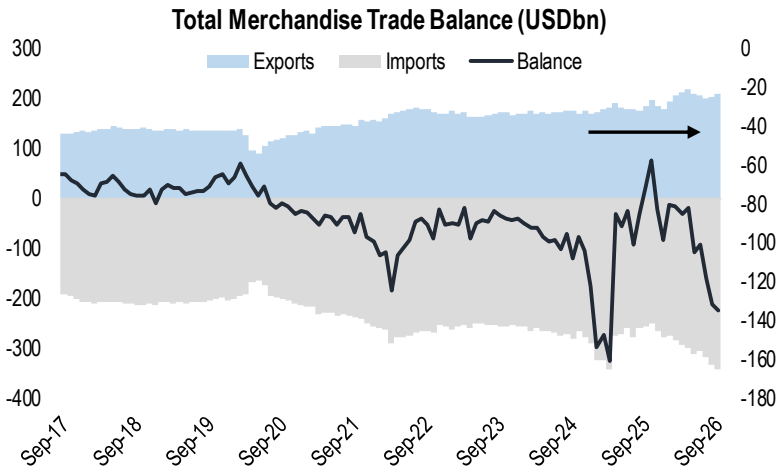


Household Interest Costs Have Been Falling but Will Rise Again as Rates Climb

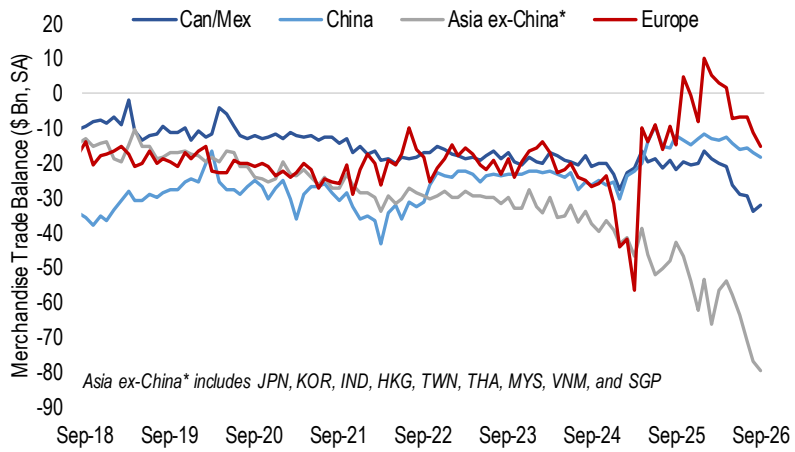


Sources: Federal Reserve Board, BEA, Arch Global Economics

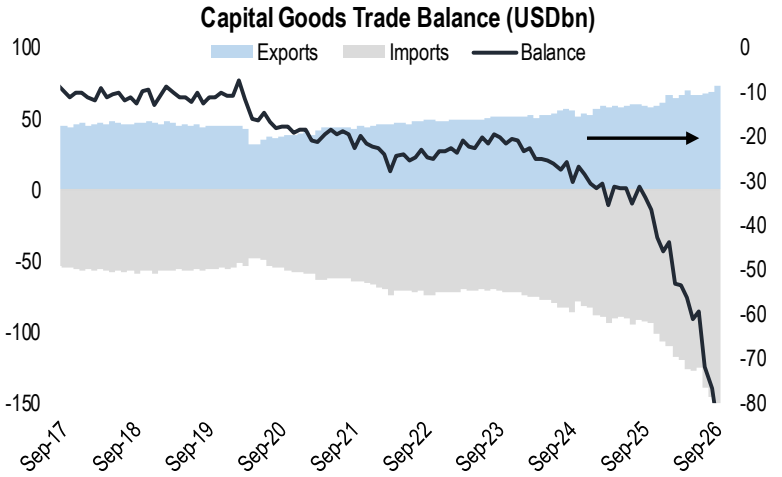
Goods Trade Balance Widest since '25 Liberation Day Shock despite the Surge in Energy Exports



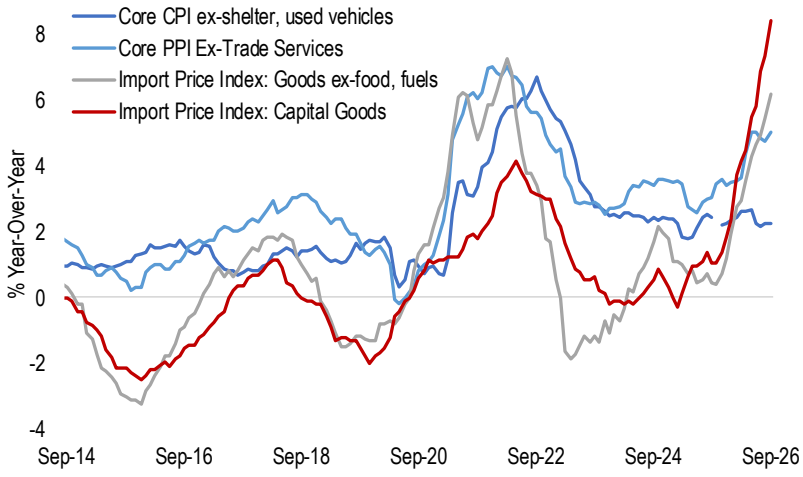
Trade Balance Driven by Asia Ex-China with Import Shares from Europe and China at Multi-Decade Lows



The Main Driver Has Been Capital Goods Imports, Which Have Surged to 150% above 2019 Levels …

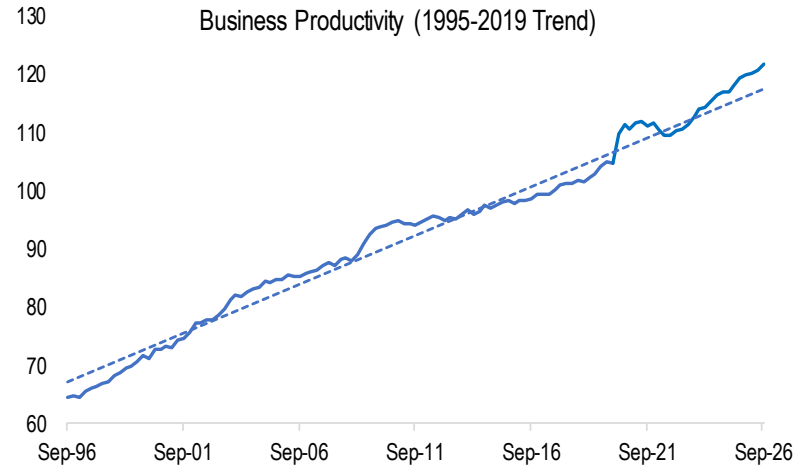


… Bolstered by Ongoing AI-Related Imports That Are Also Feeding into Import Prices

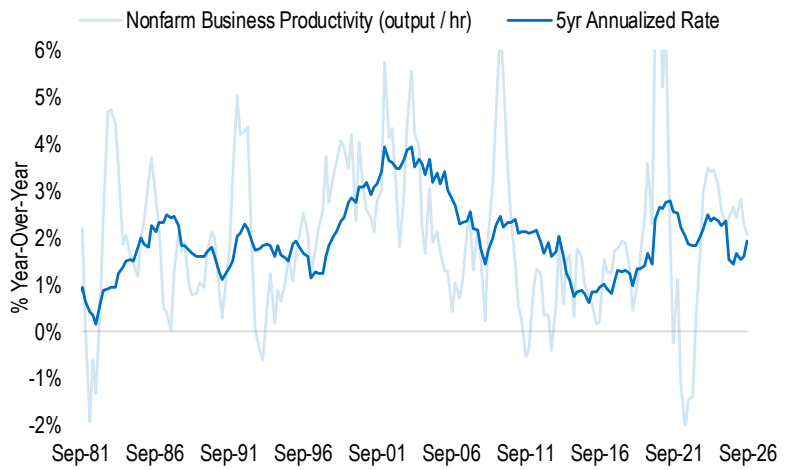


Sources: Census Bureau, BLS, Arch Global Economics

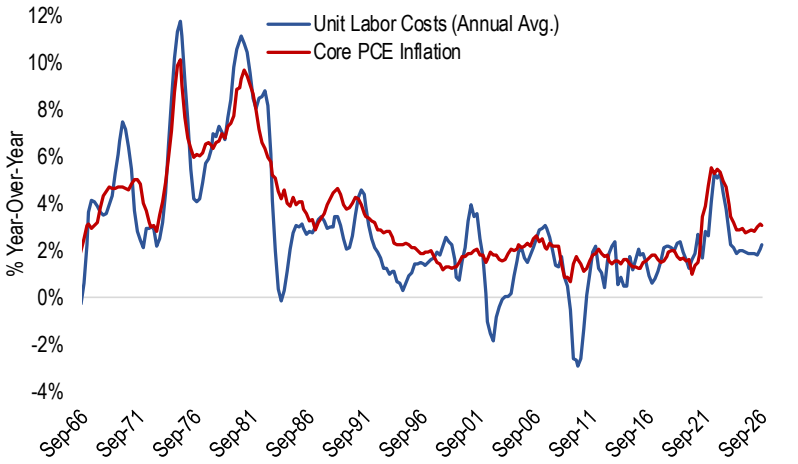
Above-Trend Productivity Driven by Expansion in Capex-Heavy, Low-Labor Segments



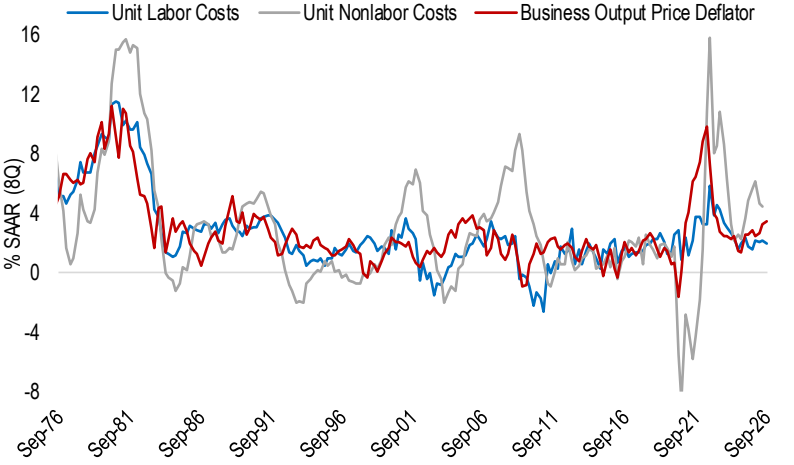
Capex Has Been Geared toward Buildout of AI Data Centers as Economy Is Still in the Early Adoption Phase



Core PCE Inflation Running on Hotter Side despite Fed Target-Consistent Labor Cost Growth

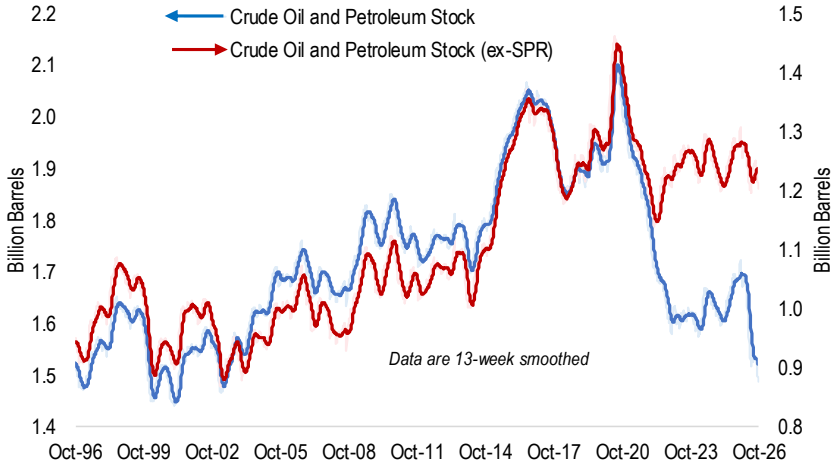


Nonlabor Costs Elevated with Business Output Price Gains Running Above Historical Norm

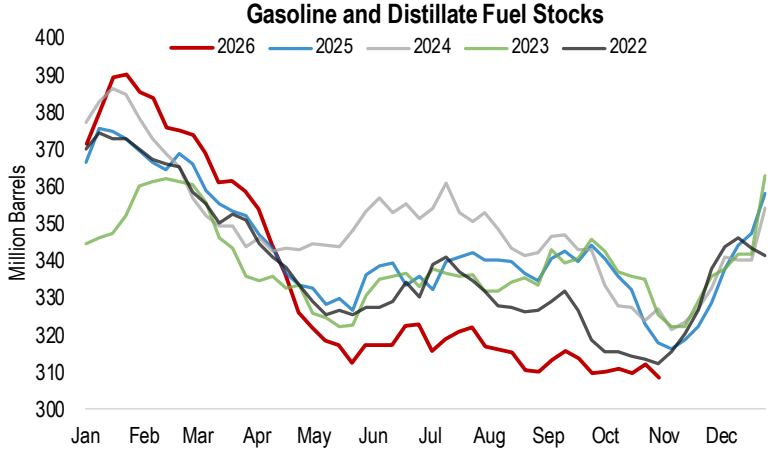


Sources: BLS, Arch Global Economics

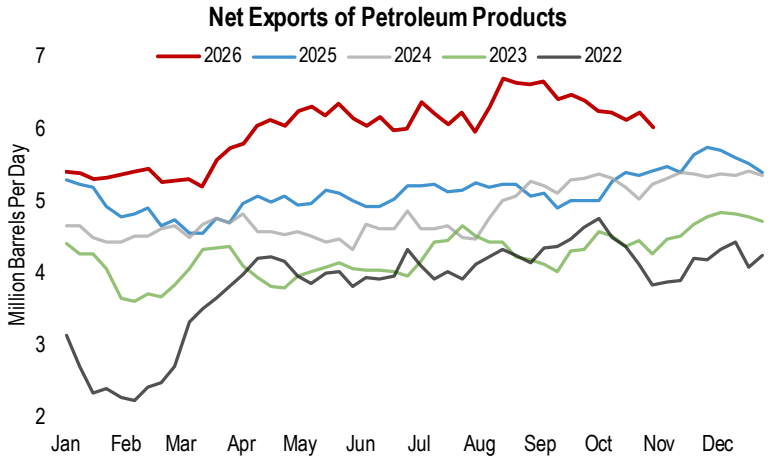
Crude Draws Ex-SPR Rise to Feed Rebound in Refinery Utilization Rate Post Maintenance Shutdown



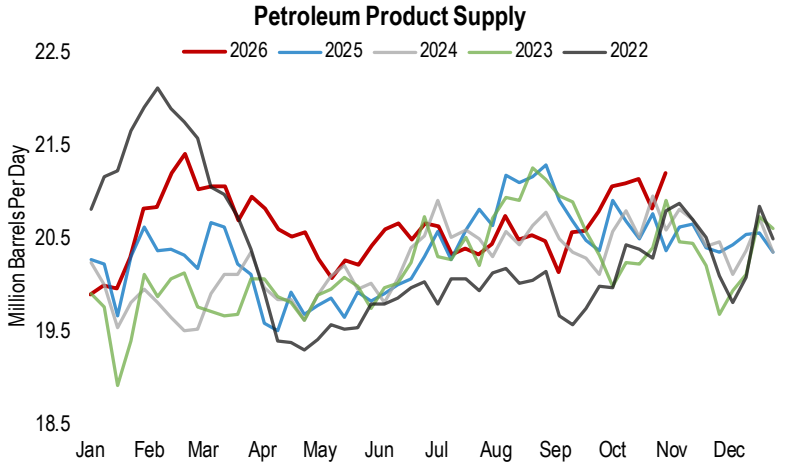
Gasoline and Distillate Stocks at Seasonal Lows amid Tight Diesel and Heating Oil Markets



U.S. Petroleum Net Exports Have Been Slowing in Recent Weeks as Global Crude Inventories Recover



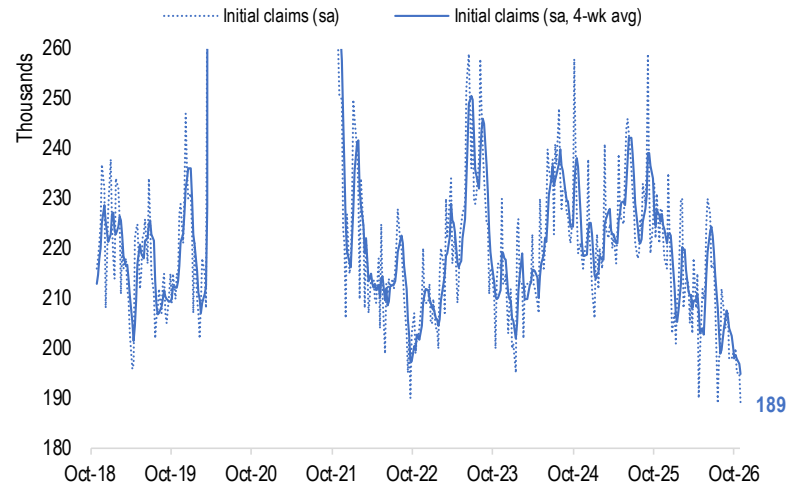
Petroleum Product Demand Firmed, Driven by Rise in Domestic Distillate Consumption



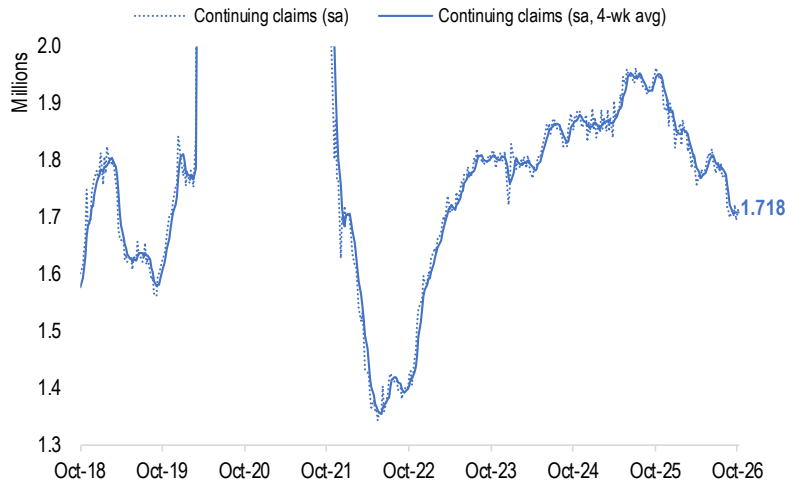
SPR = Strategic Petroleum Reserve
mb/d = million barrels / day

Sources: Energy Information Administration, Arch Global Economics

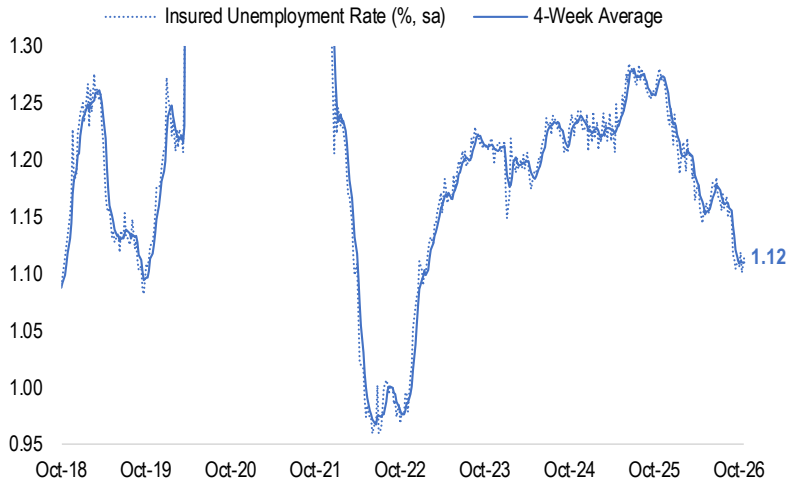
Initial Claims down to 189k (SA) in Week Ending Oct. 31, Just Above Recent Multi-Year Low



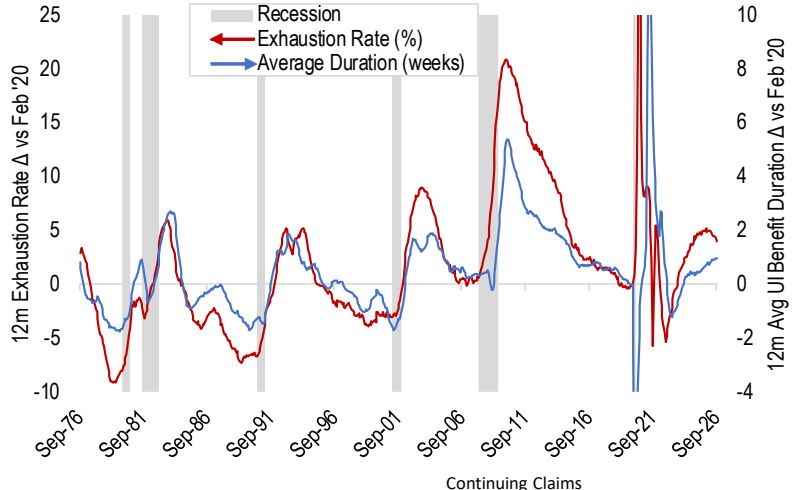
Continuing Claims Inched Up to 1,718k (SA) in Week Ending Oct. 24, Up Modestly from Multi-Year Low



Insured Unemployment Also Ticked Up to 1.12% in Week Ending Oct. 24



Share of Unemployed Workers Exhausting Benefits Continued to Ease through Sept.

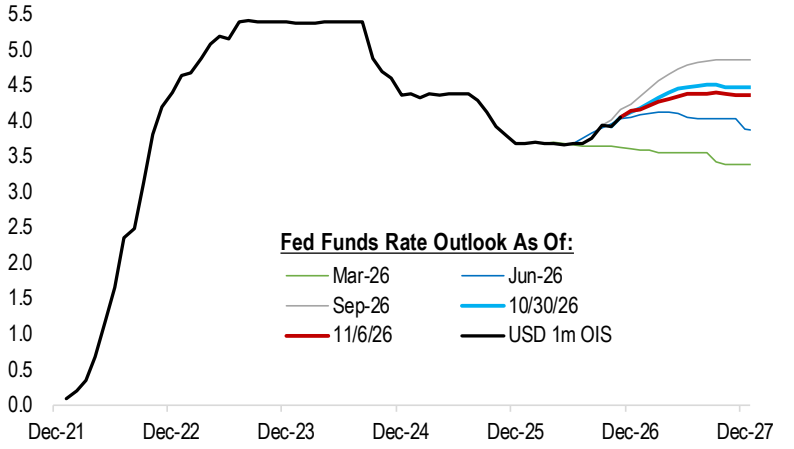


Insured Unemployment = Continuing Claims / Employed Population Eligible for Unemployment Insurance

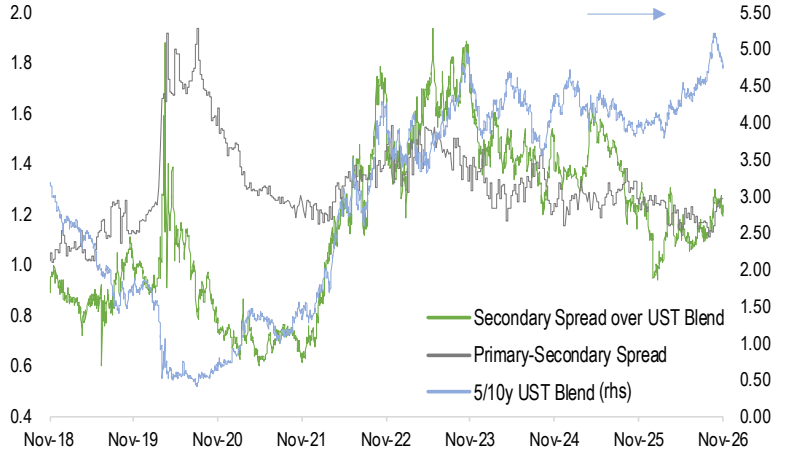
Sources: U.S. Department of Labor, Arch Global Economics

SA = Seasonally Adjusted

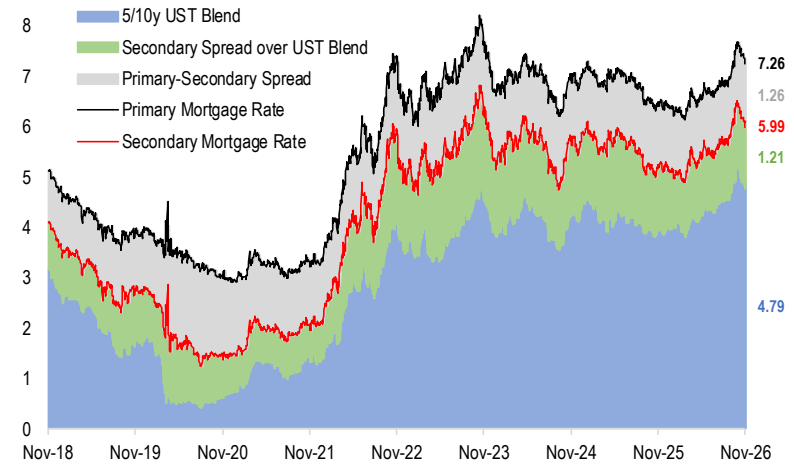
Market Implied Odds of Dec. Rate Hike Up to ~75% from ~70% a Week Ago after Strong Jobs Report



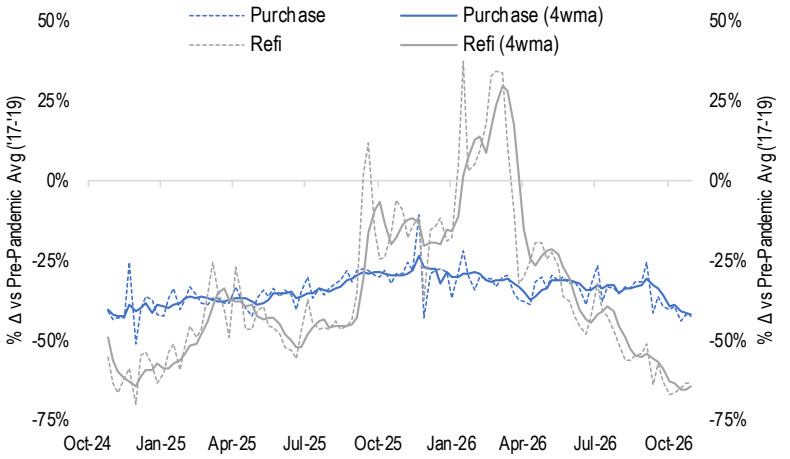
Blended 5/10y UST Yield Down -7bps on the Week as Mortgage Spreads Were Roughly Unchanged …



… Bringing Mortgage Rates Down Again for the Fifth Consecutive Week, Inching Closer toward 7%



Mortgage Applications Inched Lower during Week Ending Oct. 30 as Downtrend Continued



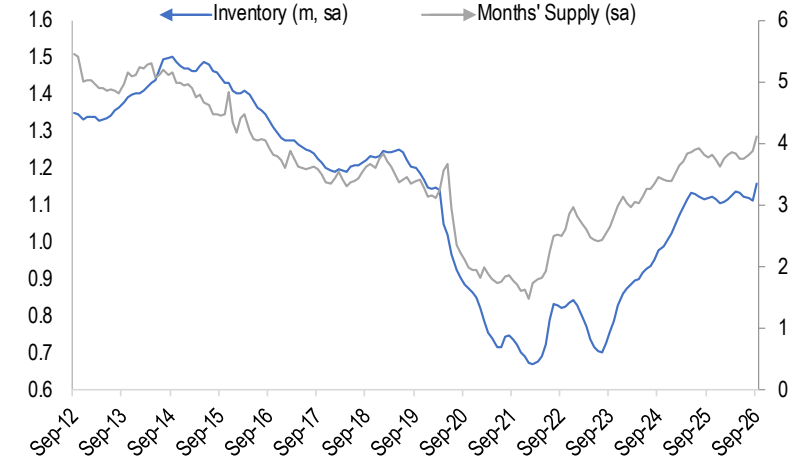
Secondary Spread: Current Coupon Option-Adjusted Spread over 5/10y UST Blend
Primary-Secondary Spread: Primary Mortgage Rate - Secondary Mortgage Rate

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

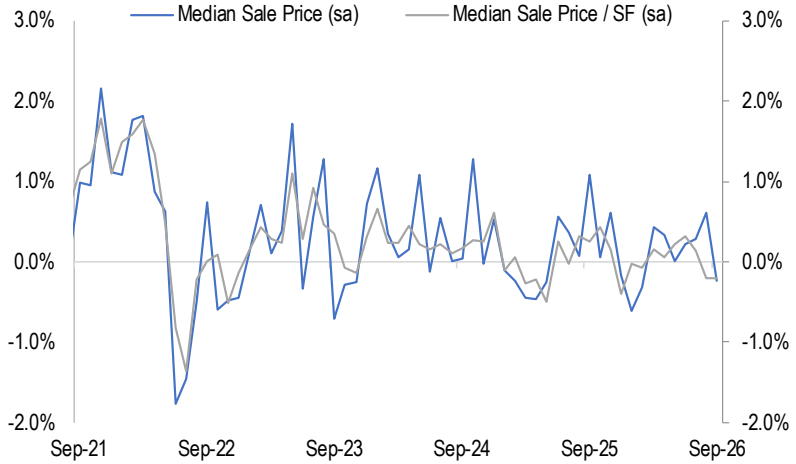
Pending Sales Have Cooled Rapidly Since Mortgage Rates Spiked, But New Listings Have Held Steady



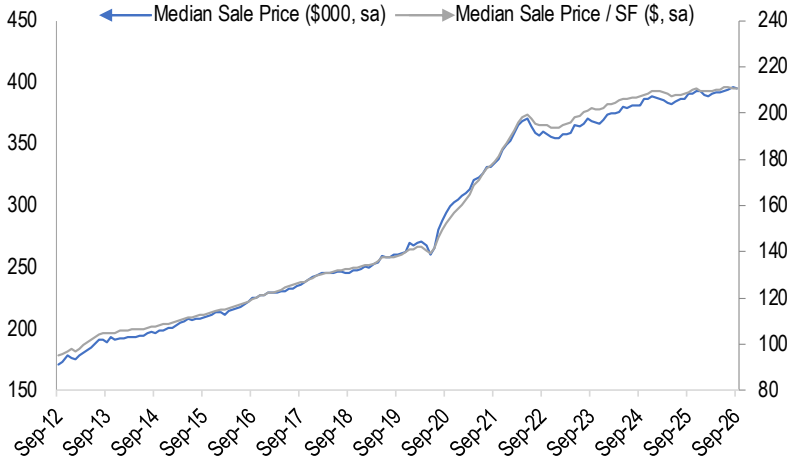
… Which Has Started to Lift Months' Supply Again after More Than a Year of Relative Stability



Pace of Seasonally Adjusted Home-Price Growth Cooled Further and Turned Slightly Negative in September



National Median Home Sale Price Hovering near Record High in September as Momentum Wanes

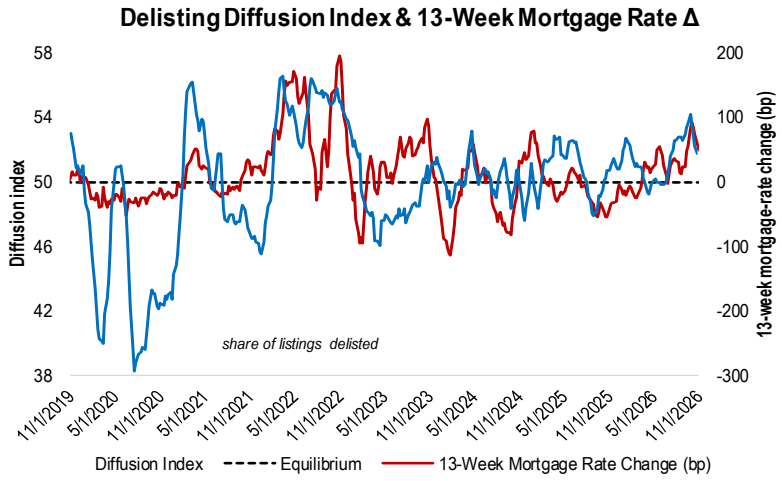


Sources: Redfin, Arch Global Economics

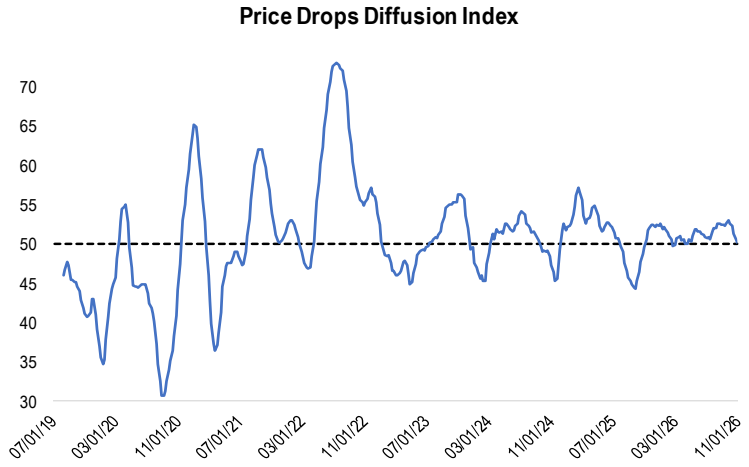
SA = Seasonally Adjusted
SF = Square Foot

Monthly data as of Oct. 21, 2026

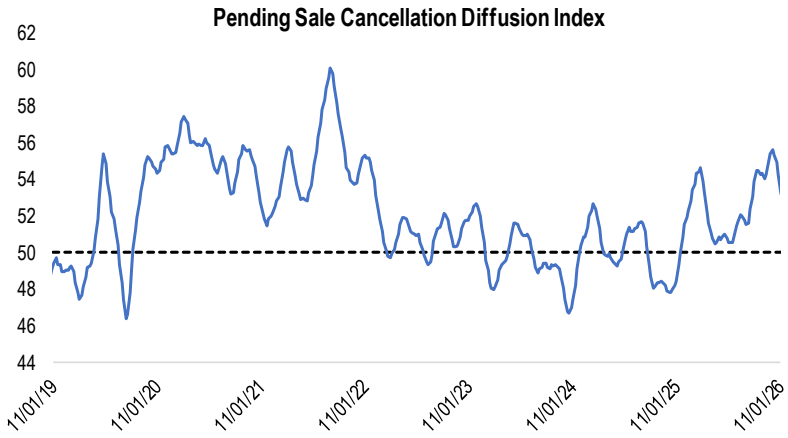
Breadth of Metros with Sellers Pulling Homes Off Market Is Normalizing Despite Renewed Rate Pressure



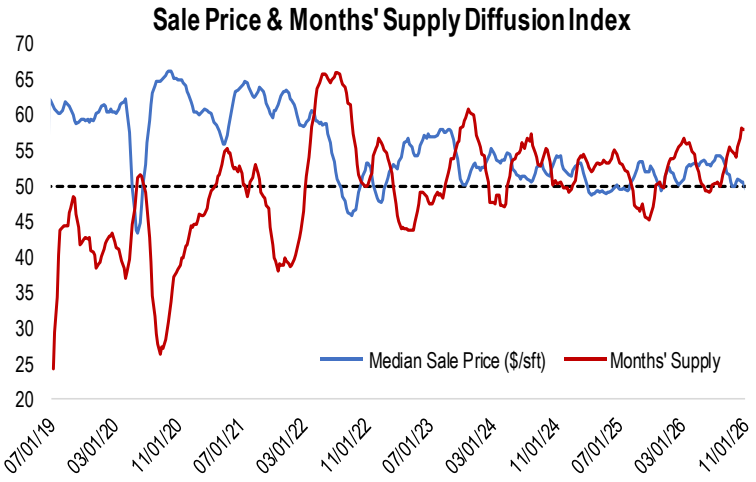
Metro Price-Cut Breadth Remains Subdued across All Regions



Pending-Sale Cancellation Breadth Falls Further but Remains Elevated



Rising Months' Supply Keeping the Downward Pressure on Price Breadth



Sources: Redfin, Arch Global Economics

Index is a seasonally adjusted metro-level diffusion index comparing the most recent week vs. the prior 4-week average.
Index reading >50 = rising metro breadth in reference variable

Weekly data as of Nov. 1, 2026

National Median Sale Price/SF Growth Turned Negative Y/Y as Most Metro Area Housing 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
National	**-0.1%**	**-1.7%**	**1.1%**	**0.4%**	**21.6%**	**0.8%**	**98.3%**	**0.1%**	**-1.8**	**-3.0**	**2%**	**26%**	**14%**
Atlanta	-0.8%	-0.3%	-0.4%	*-1.0%*	22.2%	**-0.3%**	*97.7%*	0.1%	*27*	*29*	*-2%*	61%	55%
Austin	**-3.2%**	-0.5%	*1.1%*	**6.1%**	**28.0%**	1.2%	*97.2%*	**0.3%**	**55**	**57**	*-1%*	**144%**	**134%**
Baltimore	*-1.6%*	-0.9%	*-2.5%*	-0.4%	23.4%	*2.2%*	**99.8%**	-0.1%	*-1*	*-6*	*9%*	*16%*	**-9%**
Boston	-0.9%	-1.1%	0.8%	*-0.8%*	22.7%	**2.7%**	**100.0%**	*-0.2%*	*0*	*-4*	**18%**	*27%*	**-6%**
Chicago	**4.2%**	-0.6%	**3.7%**	*-1.0%*	**14.4%**	*0.3%*	**99.6%**	*0.2%*	**-22**	**-21**	*-2%*	**-33%**	**-33%**
Dallas	*-1.7%*	**1.1%**	-0.9%	0.8%	**27.1%**	*0.3%*	**97.0%**	-0.1%	19	18	**-5%**	68%	50%
Denver	-0.9%	**0.7%**	**-4.3%**	*-1.6%*	**29.5%**	*0.3%*	98.4%	0.1%	17	20	2%	**145%**	**94%**
Houston	*-1.8%*	*0.2%*	**-2.9%**	-0.3%	*25.0%*	*0.5%*	**96.9%**	**0.9%**	*21*	15	3%	61%	37%
Los Angeles	-0.8%	-0.6%	-1.0%	-0.1%	**17.1%**	*2.0%*	*99.1%*	0.0%	6	6	1%	56%	35%
Miami	**1.3%**	-0.4%	**3.3%**	-0.6%	**15.2%**	0.8%	**95.5%**	**0.3%**	18	**30**	**-12%**	*25%*	26%
Minneapolis	-1.1%	**-2.7%**	-1.3%	**-2.2%**	**27.0%**	**3.6%**	*99.1%*	**-0.3%**	6	2	*8%*	45%	18%
Nashville	*-2.6%*	**-3.1%**	*1.2%*	0.7%	20.6%	0.9%	*97.6%*	-0.1%	9	13	5%	63%	43%
New York	**3.9%**	**-2.9%**	**2.6%**	0.2%	**15.7%**	1.9%	**99.6%**	-0.1%	**-38**	**-38**	2%	**-25%**	**-28%**
Phoenix	*-1.8%*	-1.5%	0.2%	0.1%	24.6%	*1.9%*	97.8%	0.0%	*25*	**30**	1%	**137%**	**101%**
Portland	-0.8%	*0.0%*	-1.1%	0.3%	**27.0%**	1.3%	*99.2%*	0.0%	10	10	1%	69%	43%
Riverside	-0.7%	*0.1%*	*-1.4%*	-0.3%	*18.6%*	1.9%	98.7%	-0.1%	1	6	*-4%*	43%	29%
San Diego	-0.5%	**0.9%**	0.2%	0.7%	21.1%	0.8%	98.8%	0.2%	5	10	*-2%*	38%	*16%*
Seattle	**-7.6%**	**-4.0%**	**-5.2%**	**-2.9%**	*25.8%*	**2.8%**	98.3%	**-0.9%**	11	4	**22%**	**111%**	37%
Tampa	-0.4%	**-3.0%**	*1.2%*	**2.7%**	23.9%	**-2.0%**	**96.8%**	0.1%	**43**	*23*	6%	**113%**	**78%**
Washington DC	*-0.2%*	**1.1%**	*1.8%*	**2.4%**	21.7%	**2.9%**	*99.2%*	-0.1%	14	10	*9%*	75%	34%

Data as of Nov. 1, 2026, reflecting 4-week averages.

Sources: Redfin, 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
11/2/26	9:45 AM	S&P Global US Manufacturing PMI	Oct F	54.9	56.0	--	56.0	index, sa
11/2/26	10:00 AM	ISM Manufacturing	Oct	55.5	54.5	--	54.5	index, sa
11/2/26	10:00 AM	ISM Prices Paid	Oct	75.2	77.2	--	77.9	index, nsa
11/3/26	10:00 AM	Wards Total Vehicle Sales	Oct	15.5	15.8	--	16.0	m, saar
11/3/26	10:00 AM	JOLTS Job Openings	Sep	7,523	7,164	7,190	7,079	k, sa
11/3/26	10:00 AM	JOLTS Quits	Sep	3,365	3,096	3,044	3,066	k, sa
11/3/26	10:00 AM	JOLTS Quits Rate	Sep	2.1	--	--	1.9	%, sa
11/3/26	10:00 AM	JOLTS Layoffs Rate	Sep	1.0	--	1.1	1.0	%, sa
11/3/26	10:00 AM	Durable Goods Orders m/m	Sep F	1.9	1.8	--	1.8	%, sa
11/3/26	10:00 AM	Cap Goods Orders Nondef Ex Air m/m	Sep F	0.6	0.5	--	0.5	%, sa
11/3/26	10:00 AM	Cap Goods Ship Nondef Ex Air m/m	Sep F	1.2	1.2	--	1.2	%, sa
11/4/26	7:00 AM	MBA Mortgage Applications w/w	Oct 30	-1.2	--	--	3.4	%, sa
11/4/26	8:15 AM	ADP Employment m/m	Oct	86.0	67.0	86.0	90.0	k, sa
11/4/26	9:45 AM	S&P Global US Services PMI	Oct F	56.1	57.9	--	57.9	index, sa
11/4/26	9:45 AM	S&P Global US Composite PMI	Oct F	55.9	57.3	--	57.6	index, sa
11/4/26	10:00 AM	ISM Services Index	Oct	54.5	54.8	--	54.9	index, nsa
11/5/26	8:30 AM	Nonfarm Productivity q/q	3Q P	3.6	2.7	2.1	1.4	%, saar
11/5/26	8:30 AM	Unit Labor Costs q/q	3Q P	-0.7	0.4	1.9	1.2	%, saar
11/5/26	8:30 AM	Initial Jobless Claims	Oct 31	189	196	195	194	k, sa
11/5/26	8:30 AM	Continuing Claims	Oct 24	1,718	1,710	1,695	1,701	k, sa
11/6/26	8:30 AM	Nonfarm Payrolls m/m	Oct	165	70	60	29	k, sa
11/6/26	8:30 AM	Private Payrolls m/m	Oct	159	65	78	46	k, sa
11/6/26	8:30 AM	Average Hourly Earnings m/m	Oct	0.4	0.3	0.3	0.1	%, sa
11/6/26	8:30 AM	Average Hourly Earnings y/y	Oct	3.1	2.9	3.2	3.0	%, nsa
11/6/26	8:30 AM	Average Weekly Hours All Employees	Oct	34.4	34.4	--	34.4	sa
11/6/26	8:30 AM	Unemployment Rate	Oct	4.1	4.2	--	4.2	%, sa
11/6/26	8:30 AM	Labor Force Participation Rate	Oct	61.9	61.8	--	61.8	%, sa
11/6/26	10:00 AM	U. of Mich. Sentiment	Nov P	51.0	48.0	--	48.0	index, nsa
11/6/26	10:00 AM	U. of Mich. 1 Yr Inflation	Nov P	4.3	4.6	--	4.7	nsa
11/6/26	10:00 AM	U. of Mich. 5-10 Yr Inflation	Nov P	3.4	3.5	--	3.5	nsa
11/6/26	3:00 PM	Consumer Credit m/m	Sep	27.8	13.8	8.2	8.3	$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

Upcoming Data Releases

Key economic and housing data releases for the coming week:

Date	Time	Indicator	Period	Actual	Consensus	Revised	Prior	Note
11/9/26	10:00 AM	Wholesale Trade Sales m/m	Sep	2.8	1.1	--	1.8	%, sa
11/9/26	10:00 AM	Wholesale Inventories m/m	Sep F	0.7	0.6	--	0.6	%, sa
11/9/26	11:00 AM	NY Fed 1-Yr Inflation Expectations	Oct	3.9	3.8	--	3.9	%
11/10/26	6:00 AM	NFIB Small Business Optimism	Oct	--	98.2	--	97.9	index, sa
11/10/26	8:30 AM	CPI m/m	Oct	--	0.3	--	0.6	%, sa
11/10/26	8:30 AM	CPI Core (ex Food and Energy) m/m	Oct	--	0.2	--	0.3	%, sa
11/11/26	7:00 AM	MBA Mortgage Applications w/w	Nov 6	--	--	--	-1.2	%, sa
11/12/26	8:30 AM	Initial Jobless Claims	Nov 7	--	195.0	--	189.0	k, sa
11/12/26	8:30 AM	Continuing Claims	Oct 31	--	1,710.0	--	1,718.0	k, sa
11/12/26	10:00 AM	Existing Home Sales	Oct	--	3.9	--	4.0	m, saar
11/12/26	10:00 AM	Existing Home Sales m/m	Oct	--	-3.5	--	1.5	%, sa
11/13/26	8:30 AM	PPI Final Demand m/m	Oct	--	0.4	--	1.3	%, sa
11/13/26	8:30 AM	PPI Core (ex Food and Energy) m/m	Oct	--	0.3	--	0.7	%, sa
11/13/26	8:30 AM	PPI Final Demand y/y	Oct	--	6.6	--	6.3	%, nsa
11/13/26	8:30 AM	PPI Core (ex Food and Energy) y/y	Oct	--	5.0	--	5.0	%, nsa

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

Sources: Bloomberg Consensus Survey of Economists, Arch Global Economics