

HaMMR Digest

Stay current with economic and mortgage market trends.

November 23, 2026

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Why So Sensitive?

- **Key Takeaway:** AI concerns and potential credit spillovers overwhelmed constructive data, driving the 2y UST yield down the most w/w since Aug. ’25.
- **Macro Implications:** If recent market stress persists and/or deepens, the Fed’s focus is likely to shift toward financial stability and away from inflation.
- **Housing Implications:** Treasury yields plunged, but MBS spreads narrowed only modestly, leaving mortgage rates elevated above 7% for another week.

Macro: Risk On, Risk Off

- Concerns over AI’s economic impact engulfed markets, sending risk assets lower.
- Credit spillovers in focus: IG spreads at multi-month high, HY highest since May ’25.
- Fed will tread carefully if stress persists, with keen focus on funding markets.

Rates: Whiplash

- Rates volatility at 1m high as yields plunged across the curve, led by mid-tenors.
- 10y UST crossed below 5% again with the yield curve bull steepening.
- Markets trim odds of Dec. hike and ’27 hikes reduced to one from two.

Housing Market: Not Much to Be Thankful For

- NAHB index dropped to 25, its lowest in over a decade, as buyer traffic sank.
- Pending sales keep trending lower, outpacing the pullback seen in new listings.
- Seller/buyer exits normalizing as prevalence of price concessions rises further.

Home Construction: Down and Out

- Single-family housing starts declined -13% saar in three months to October.
- Permits declined -22% saar over the same period to lowest level since ’23.
- Completions sank to near multi-year lows with builders wary of weak demand.

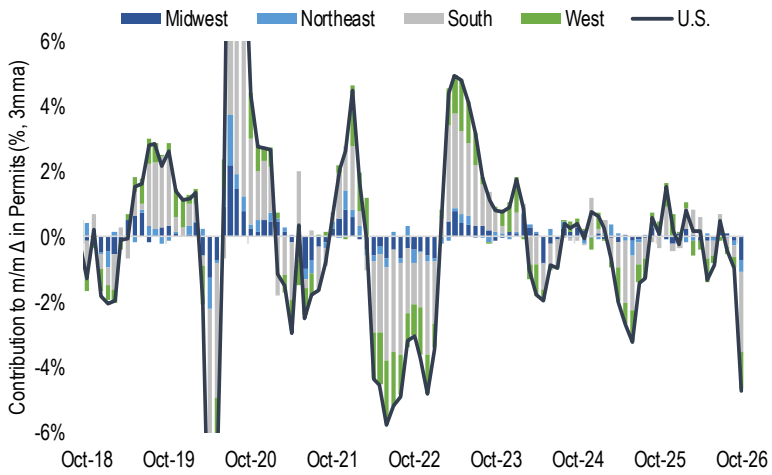
Retail Sales: No Quit in This Consumer

- Retail sales surprised to the upside in October despite weak auto sales.
- Consumers are economizing on gas outlays but not pulling back elsewhere.
- Real control group sales have been improving after a lull over June and July.

Industrial Production: Better Below the Headline

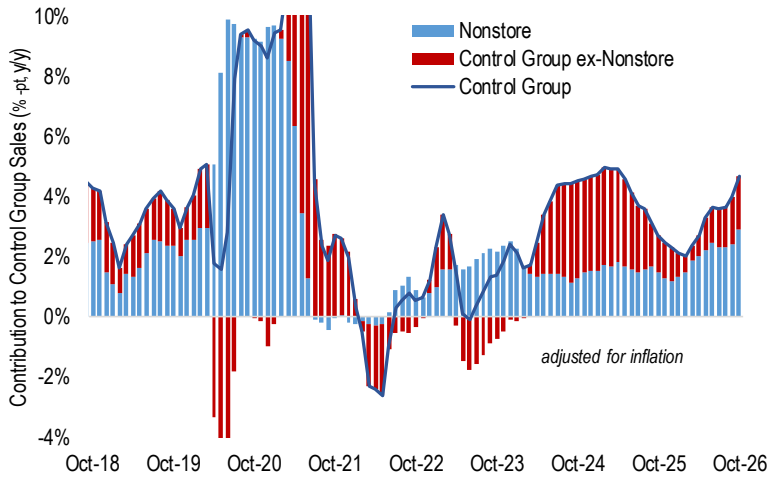
- Industrial production fell in October amid weakness in utilities and mining.
- Manufacturing rose on higher auto output, despite a slide in aerospace.
- Business surveys note moderation in activity but remain in expansion.

Higher Rates Making Their Mark on Home Construction with Outlook on Future Supply Looking Grim



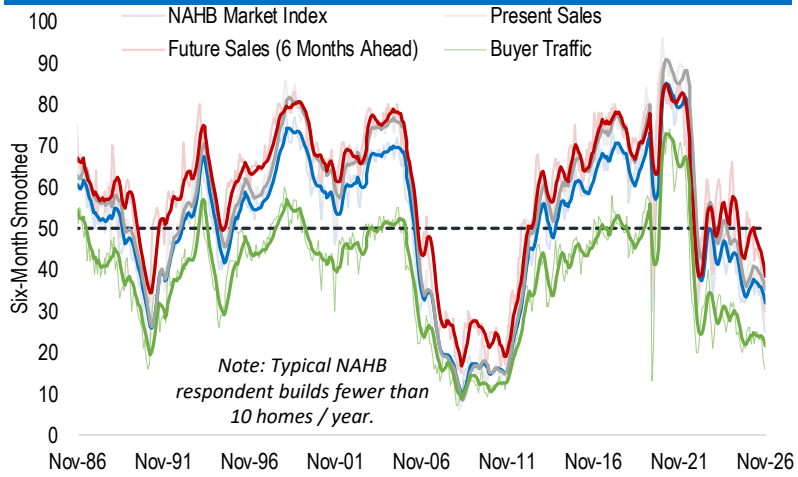
Sources: Census Bureau, Arch Global Economics

Control Group Retail Sales Have Rebounded despite Successive Rounds of Headwinds for Consumers in 2026

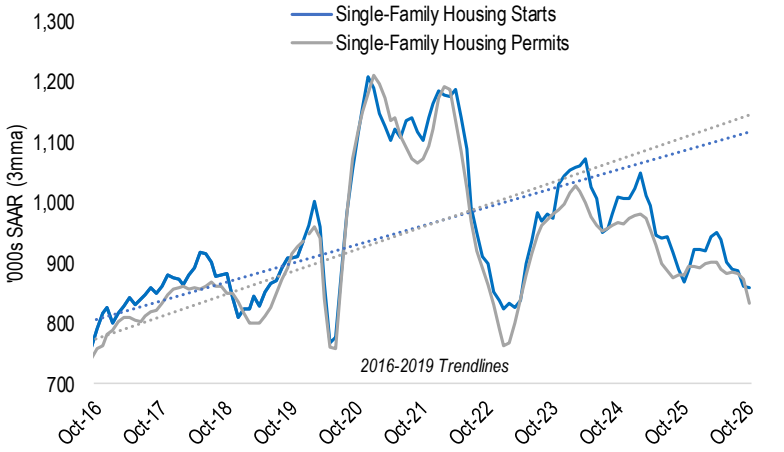


“Control Group” = Retail sales excluding autos, gas, building materials and restaurants.

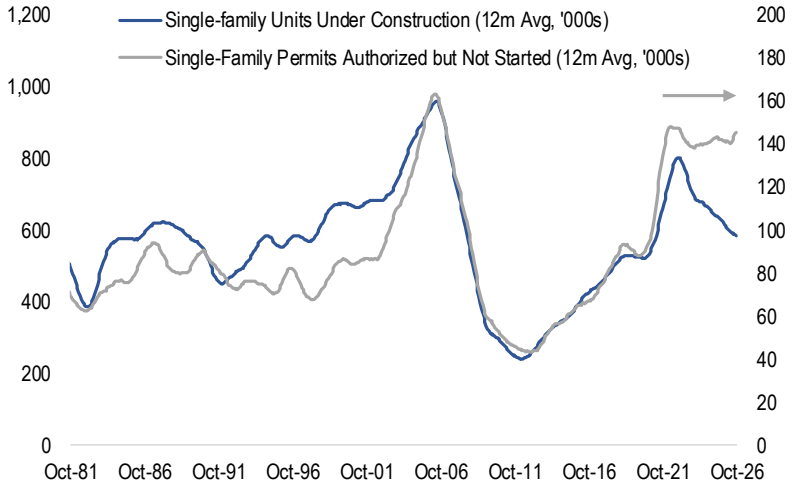
Builder Optimism Sinks to an Over-Decade Low with Buyer Traffic Approaching Pandemic-Era Lows



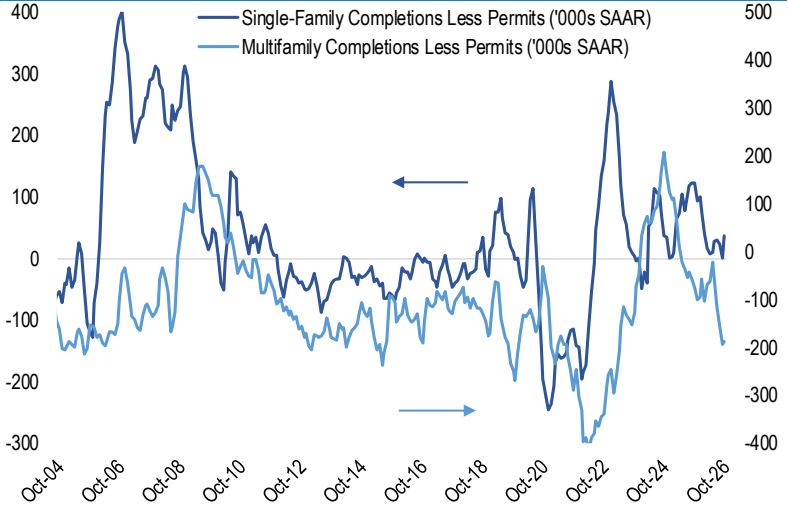
Single-Family Starts and Permits Both Reflect a Deep Construction Freeze Compared to Pre-Pandemic Trends



Backlog of Permitted-But-Not-Started Single-Family Homes Still Elevated, Even as Active Construction Fades

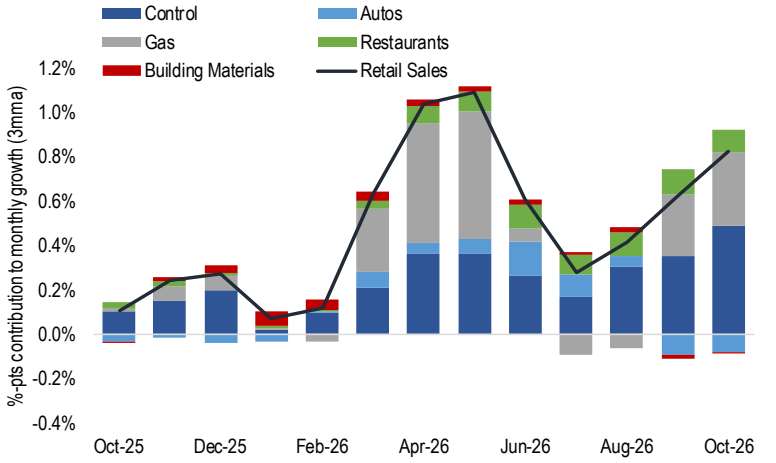


Single-Family Completions Back In Line with Permits, but Multifamily Permitting Far Outpacing Completions

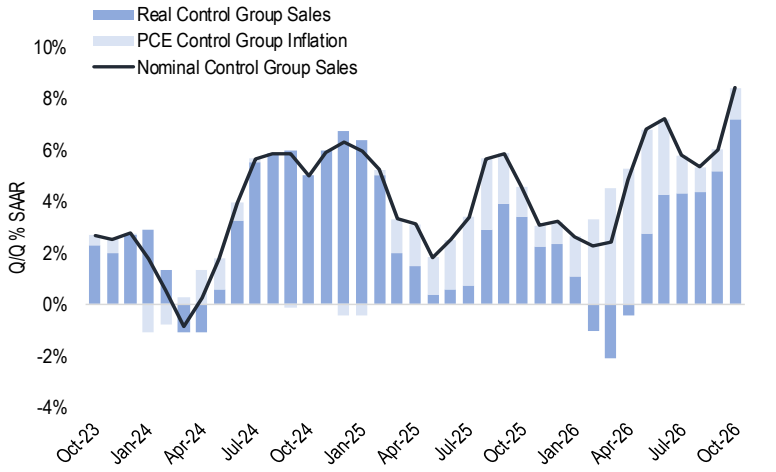


Sources: U.S. Census Bureau, National Association of Home Builders (NAHB), Arch Global Economics

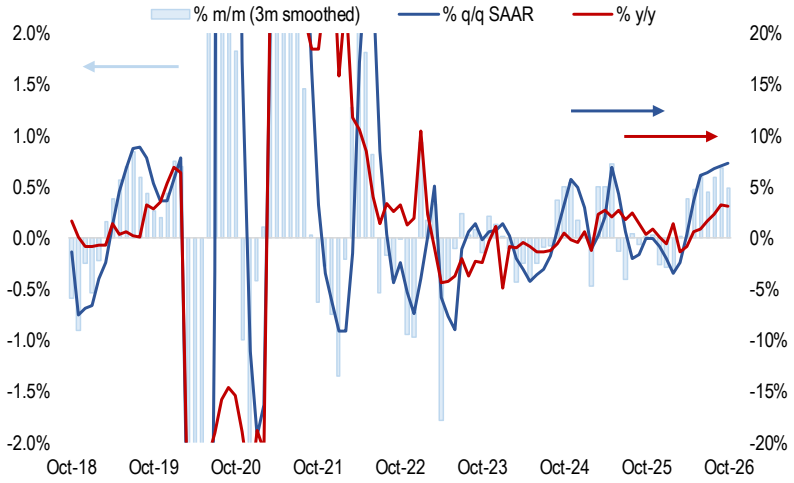
October Retail Sales Cooled amid Weak Auto Sales, but Upward Revisions Keep Trend Positive



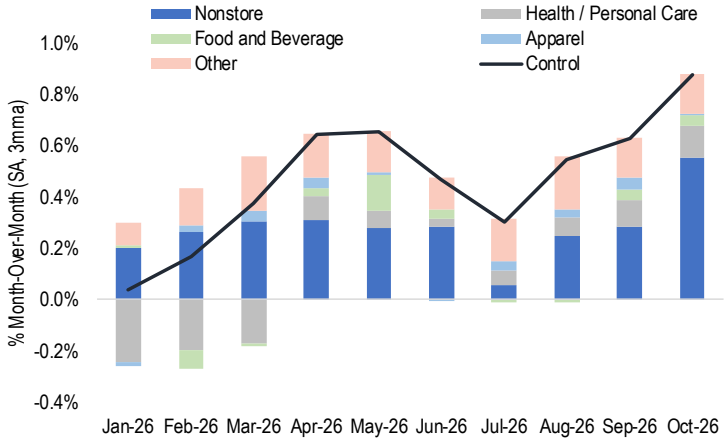
Real (Inflation-Adjusted) Control Group Sales Have Rebounded Sharply



Restaurant Sales Have Regained Ground after Starting the Year on the Back Foot



Within Control Group Spending, Gains Came from Online and Health Care, Hobby Categories Softened

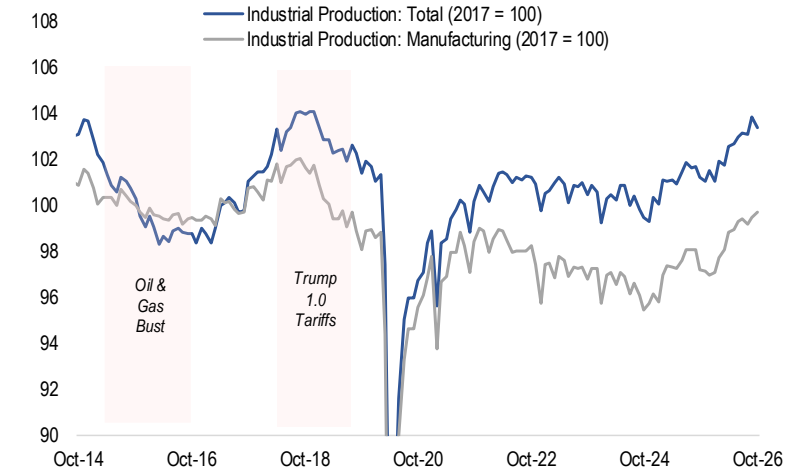


"Control Group" = Retail sales excluding autos, gas, building materials and restaurants.

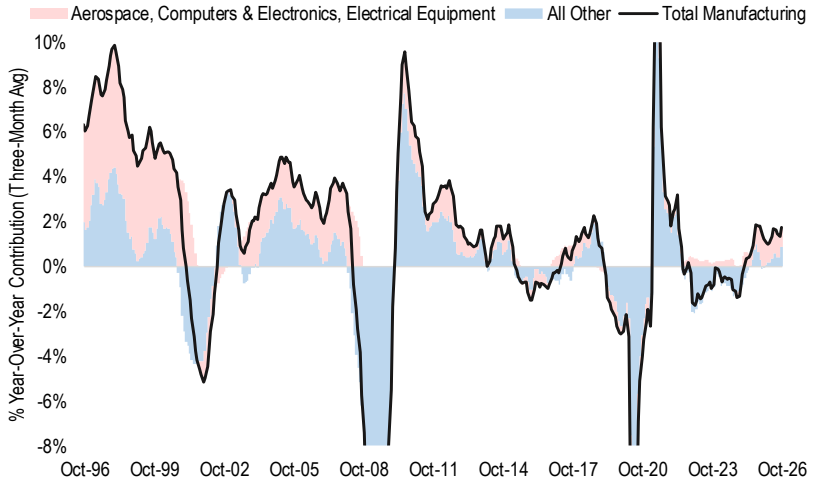
Note: SA = Seasonally Adjusted

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

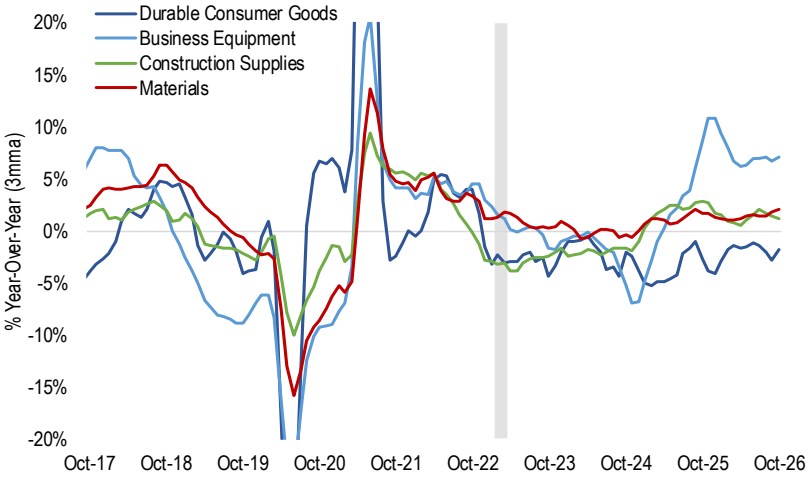
Industrial Production Took a Step Back in October, Driven by Weakness in Utilities and Mining



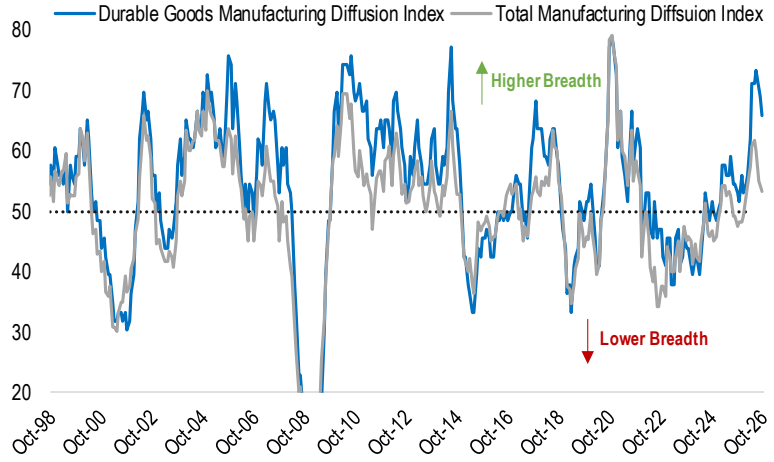
Manufacturing Output Rose Amid a Bump in Auto Output With Underlying Trend Still Robust



Durable Goods Production Still Strong, Carried by Robust Business Equipment Output



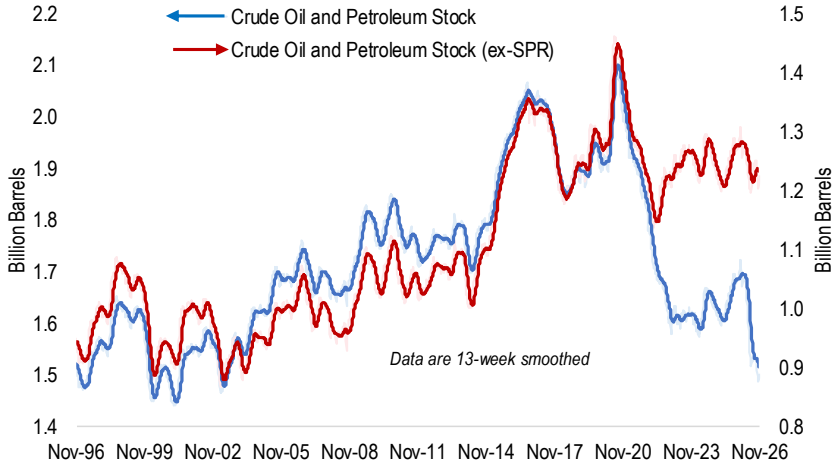
Manufacturing Output Breadth Coming Down from Its Recent Peak, Led by Non-Durables Categories



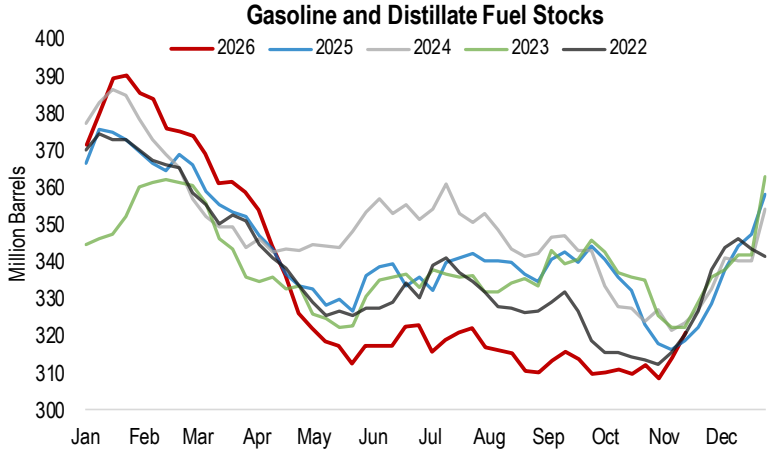
Durable goods are products that can be inventoried and have an average life of at least 3 years.

Sources: Federal Reserve Board (FRB), Arch Global Economics

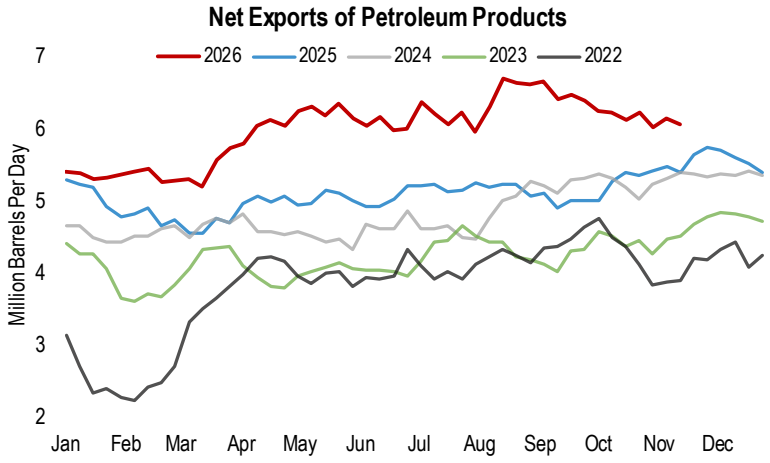
Crude and SPR Draws Showing Signs of Normalization as Supply Conditions Improve Globally …



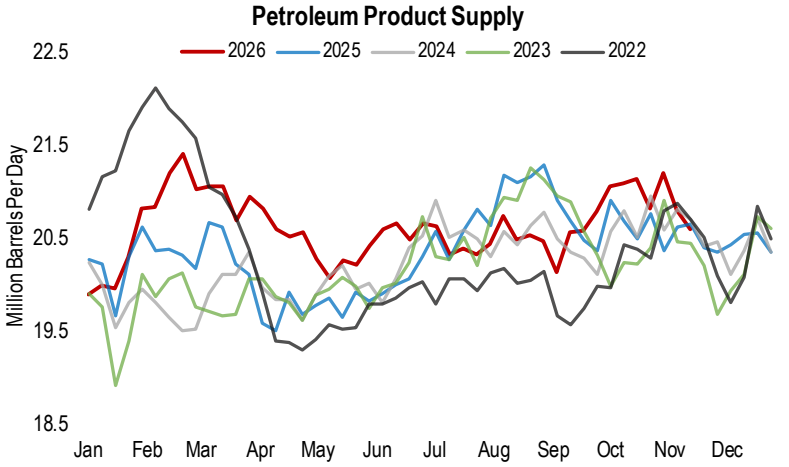
… Which Is Extending to Gasoline and Distillate Inventories as Refiners Run near Full Capacity



U.S. Petroleum Net Exports Continue to Ease from the Early August Local Peak



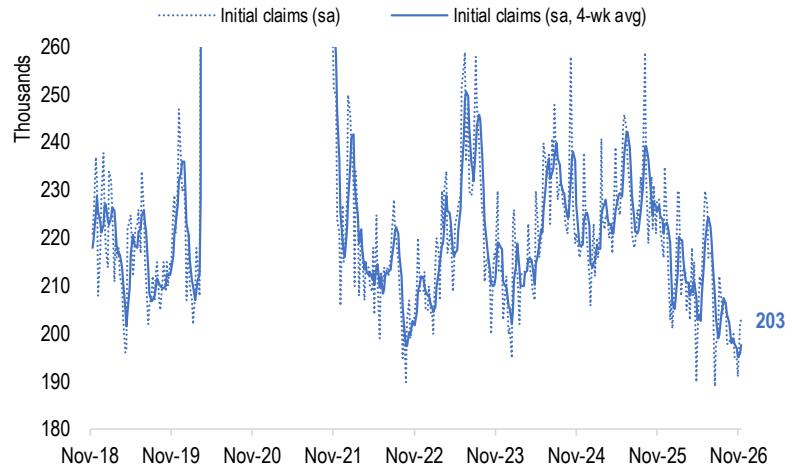
Petroleum Product Demand Eased Further Driven by Gasoline and Jet Fuel



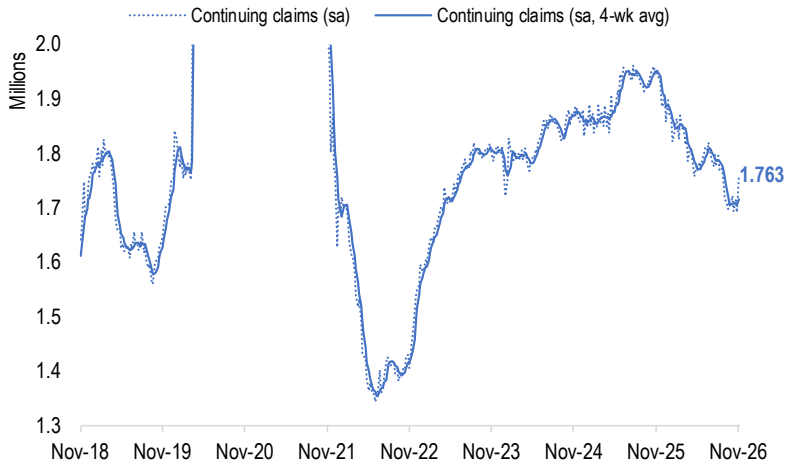
Sources: Energy Information Administration, Arch Global Economics

SPR = Strategic Petroleum Reserve

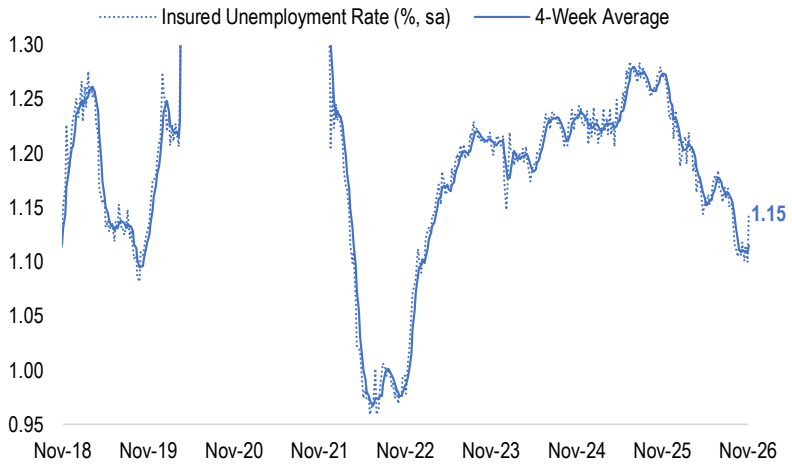
Initial Claims up to 203k (SA) in Week Ending Nov. 14, Just Above Recent Multi-Year Low



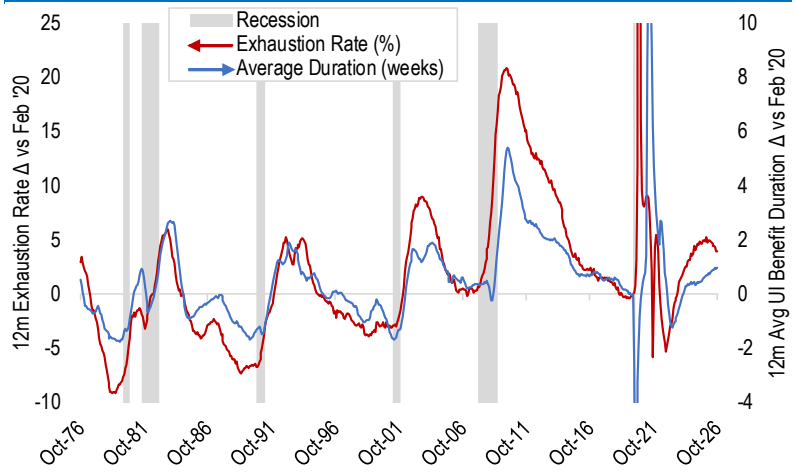
Continuing Claims Jumped to 1,763k (SA) in Week Ending Nov. 7, Up Sharply From Multi-Year Lows



Insured Unemployment Also Jumped to 1.15% in Week Ending Nov. 7 from Multi-Year Low



Share of Unemployed Workers Exhausting Benefits Continued to Ease through October

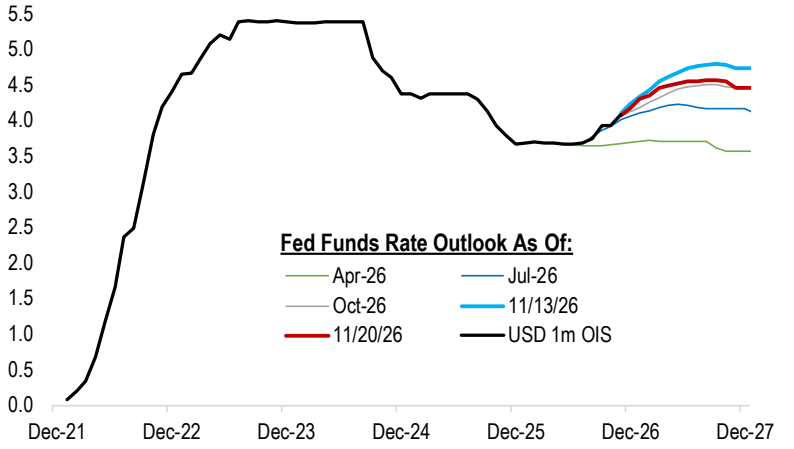


Insured Unemployment = Continuing Claims / Employed Population Eligible for Unemployment Insurance

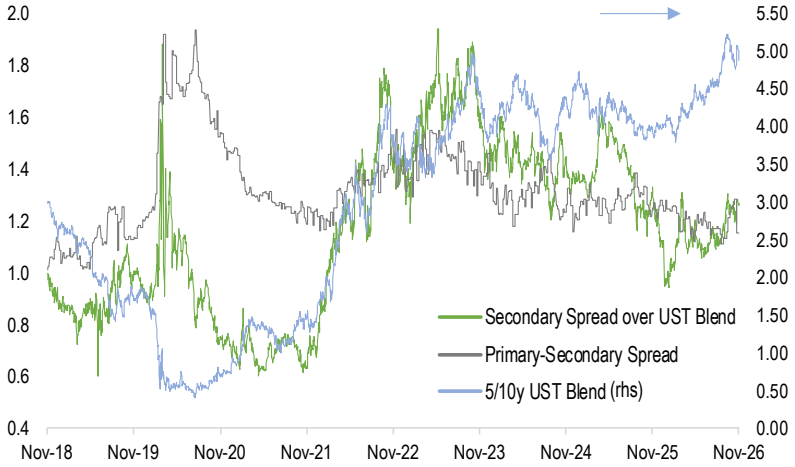
Sources: U.S. Department of Labor, Arch Global Economics

SA = Seasonally Adjusted

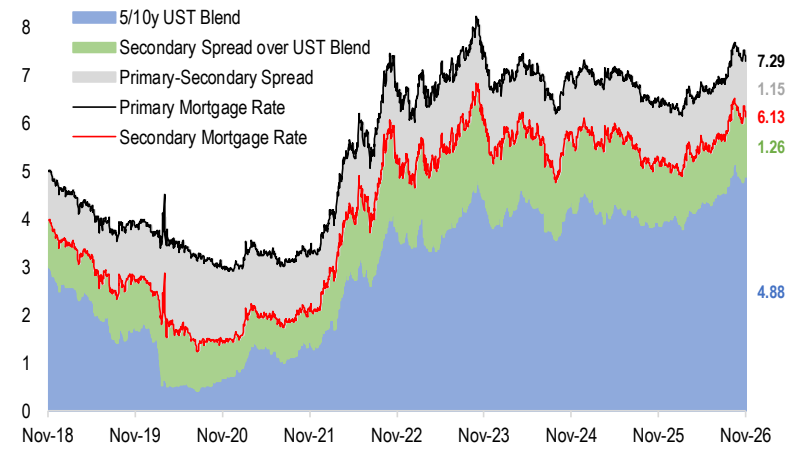
Markets Dialed Back Fed Rate Hike Expectations as Equity Selloff Deepened; Dec. Hike Odds Still at 90%+



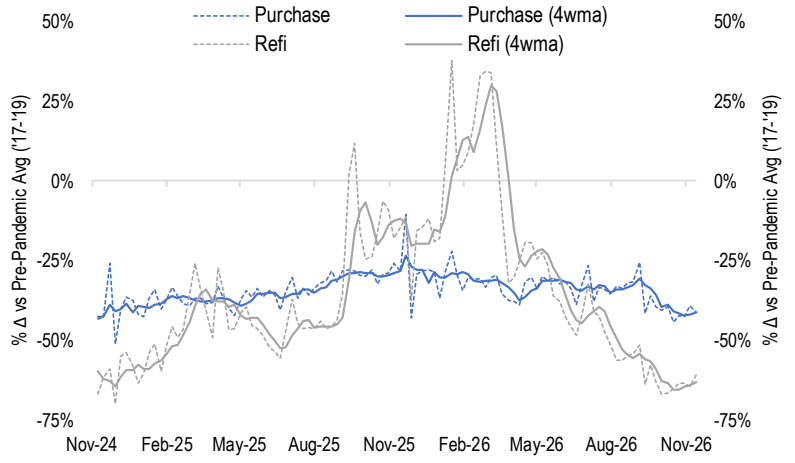
Blended 5/10y UST Yields Plunged 20bps on the Week as Mortgage Spreads Narrowed 2bps…



… Reversing 22bps of the Prior Week's 23bps Surge in Mortgage Rates



Mortgage Purchase and Refi Applications Trended Higher (4wma) during Week Ending Nov. 13



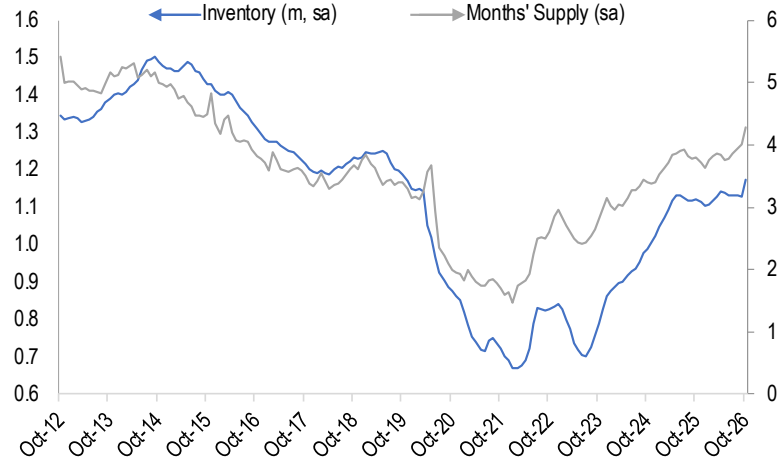
Sources: Bloomberg, FRB, Mortgage Bankers Association, Arch Global Economics

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

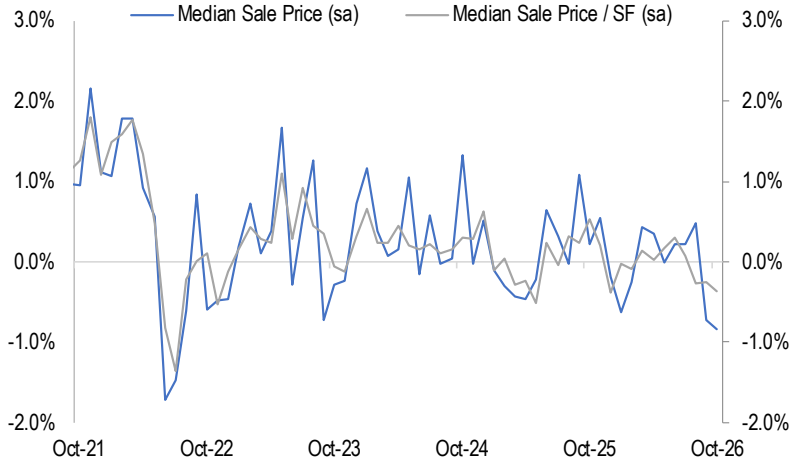
Pending Sales Have Cooled Rapidly Since Mortgage Rates Spiked, While New Listings Have Modestly Cooled



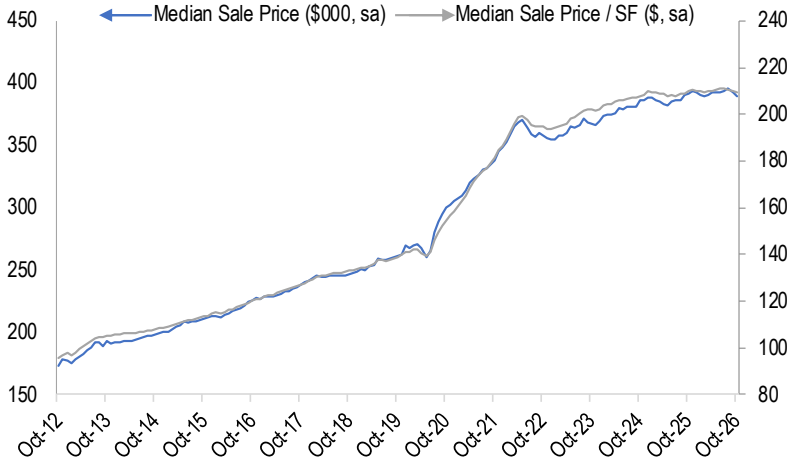
… Which Has Started to Lift Months' Supply Again after More Than a Year of Relative Stability



Pace of Seasonally Adjusted Home-Price Growth Turned More Negative in October



National Median Home Sale Price Moving Lower in October from Recent High as Momentum Wanes

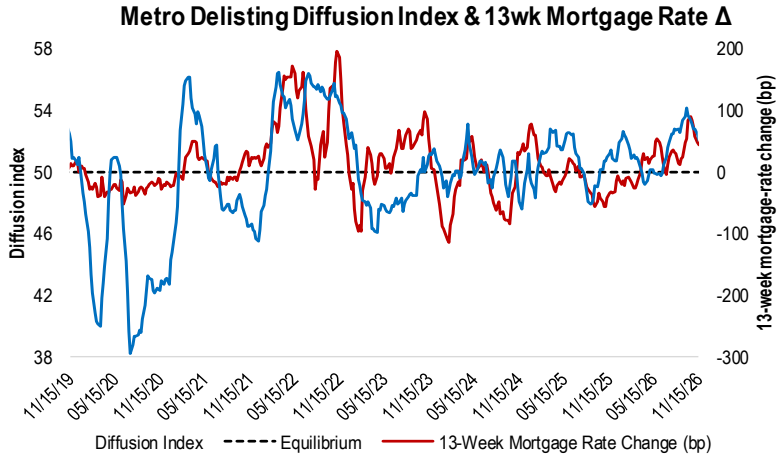


Sources: Redfin, Arch Global Economics

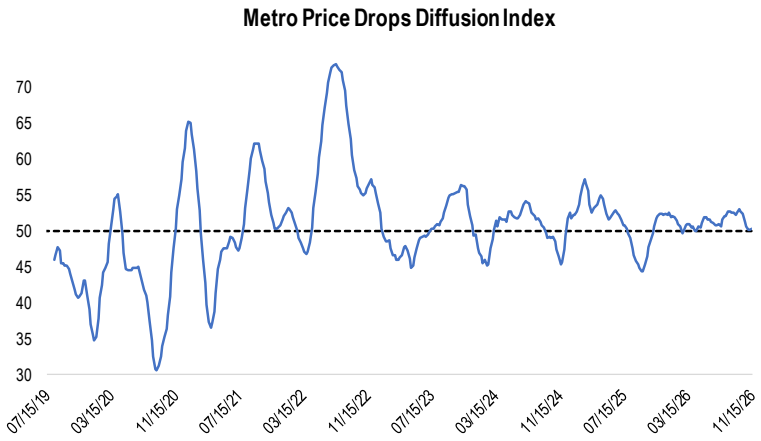
SA = Seasonally Adjusted
SF = Square Foot

Monthly data as of Nov. 3, 2026

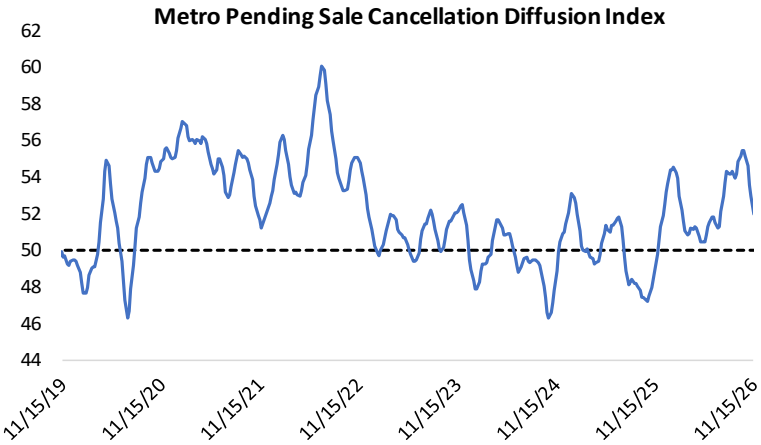
Seller Withdrawal Drifts Further Downward as More Sellers Stay Engaged in the Market



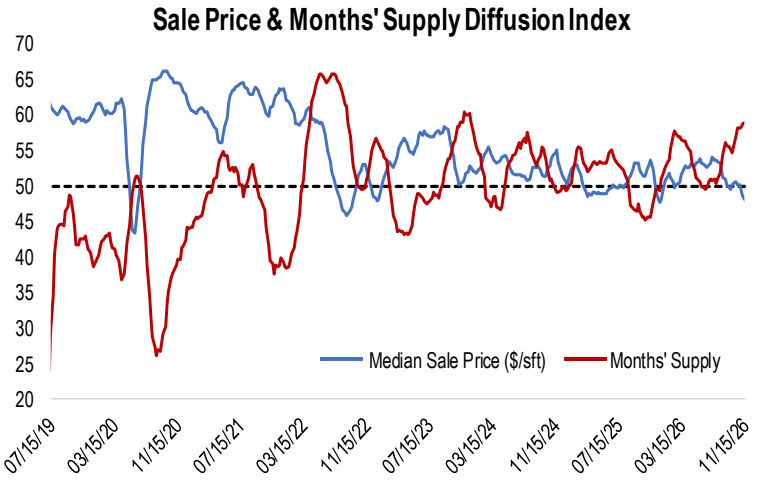
Metro Price-Cut Breadth Trend Reaches a Trough amid a Second Weekly Sequential Increase



Transaction Failure Recedes as Price Adjustment Broadens



Broad Supply Growth Is Eliciting More Price Concessions, Which Remain Modest in Magnitude



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. 15, 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	**-0.9%**	**-2.3%**	**0.8%**	**0.3%**	**21.1%**	**0.8%**	**98.2%**	**0.0%**	**-1.8**	**-3.5**	**2%**	**34%**	**17%**
Atlanta	-1.3%	-1.1%	-0.8%	0.0%	21.9%	-0.8%	97.6%	0.1%	27	28	0%	68%	58%
Austin	-5.5%	-1.5%	1.6%	6.1%	27.4%	1.6%	97.1%	0.2%	55	57	-2%	153%	144%
Baltimore	-1.6%	-1.0%	-2.6%	-1.3%	22.9%	1.9%	99.8%	-0.4%	-1	-6	9%	23%	-9%
Boston	-0.4%	-0.6%	-0.4%	-1.3%	23.1%	3.4%	99.9%	-0.4%	-1	-4	20%	36%	-4%
Chicago	3.1%	-1.3%	3.1%	-1.4%	14.6%	0.8%	99.4%	0.2%	-23	-23	-2%	-29%	-32%
Dallas	-2.3%	0.2%	-0.6%	0.8%	26.8%	0.4%	97.0%	-0.2%	20	17	-5%	74%	52%
Denver	-2.5%	-0.1%	-4.9%	-1.7%	27.6%	0.0%	98.3%	-0.1%	17	19	2%	159%	101%
Houston	-2.8%	-1.0%	-2.9%	0.0%	24.9%	1.2%	96.9%	1.0%	25	17	3%	65%	37%
Los Angeles	-0.8%	0.6%	-1.6%	-0.2%	16.6%	2.0%	99.2%	-0.2%	5	6	2%	66%	34%
Miami	1.3%	-1.3%	4.5%	1.6%	15.2%	0.9%	95.4%	0.5%	12	23	-11%	25%	24%
Minneapolis	-1.6%	-3.8%	-0.9%	-1.4%	25.2%	2.5%	99.0%	-0.4%	5	1	7%	49%	21%
Nashville	-2.4%	-2.7%	1.5%	1.3%	20.4%	1.3%	97.7%	0.0%	10	13	4%	67%	45%
New York	3.1%	-4.6%	0.2%	-2.9%	15.7%	1.9%	99.5%	-0.2%	-38	-38	2%	-24%	-30%
Phoenix	-1.7%	-1.0%	1.6%	1.7%	25.1%	2.5%	97.8%	0.0%	23	27	2%	154%	104%
Portland	-0.9%	-0.5%	-0.8%	0.6%	25.4%	0.9%	99.0%	-0.1%	7	10	2%	85%	46%
Riverside	-2.0%	-1.1%	-1.2%	-0.7%	18.1%	1.6%	98.7%	-0.1%	2	5	-3%	49%	27%
San Diego	0.5%	0.7%	-0.7%	1.3%	20.5%	1.1%	98.6%	0.0%	6	9	-1%	50%	20%
Seattle	-6.9%	-2.9%	-5.6%	-2.1%	24.5%	2.0%	98.2%	-0.9%	10	4	22%	138%	43%
Tampa	-1.9%	-3.7%	1.4%	3.5%	23.5%	-2.0%	96.8%	0.0%	43	23	6%	127%	82%
Washington DC	0.0%	1.0%	0.4%	1.1%	21.1%	3.5%	99.1%	-0.3%	14	9	9%	88%	37%

Data as of Nov. 15, 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
11/16/26	8:30 AM	Empire Manufacturing	Nov	7.8	18.0	--	25.5	index, sa
11/17/26	8:30 AM	Advance Retail Sales m/m	Oct	0.2	0.1	--	0.8	%, sa
11/17/26	8:30 AM	Retail Sales Control Group m/m	Oct	0.6	0.3	0.5	0.1	%, sa
11/17/26	8:30 AM	Import Price Index m/m	Oct	1.1	0.7	--	1.1	%, nsa
11/17/26	9:15 AM	Industrial Production m/m	Oct	-0.4	0.1	--	0.7	%, sa
11/17/26	9:15 AM	Capacity Utilization	Oct	76.4	76.8	76.8	76.9	sa
11/17/26	10:00 AM	Business Inventories m/m	Sep	0.5	0.5	--	0.4	%, sa
11/17/26	10:00 AM	NAHB Housing Market Index	Nov	25	29	--	29	index, sa
11/18/26	7:00 AM	MBA Mortgage Applications w/w	Nov 13	-2.3	--	--	6.2	%, sa
11/18/26	8:30 AM	Housing Starts	Oct	1,309	1,250	1,191	1,221	k, saar
11/18/26	8:30 AM	Housing Starts m/m	Oct	9.9	2.4	-7.0	-5.2	%, sa
11/18/26	8:30 AM	Building Permits	Oct P	1,295	1,375	--	1,398	k, saar
11/18/26	8:30 AM	Building Permits m/m	Oct P	-7.4	-1.7	--	-0.4	%, sa
11/18/26	10:00 AM	Pending Home Sales m/m	Oct	-4.7	-2.0	-7.2	-7.3	%, sa
11/18/26	10:00 AM	Pending Home Sales y/y	Oct	-17.1	-14.5	-12.5	-12.6	%, nsa
11/18/26	2:00 PM	FOMC Meeting Minutes	Oct 28	--	--	--	--	
11/19/26	8:30 AM	Philadelphia Fed Business Outlook	Nov	6.3	20.1	--	20.9	index, sa
11/19/26	8:30 AM	Initial Jobless Claims	Nov 14	203	198	202	200	k, sa
11/19/26	8:30 AM	Continuing Claims	Nov 7	1,763	1,703	1,693	1,697	k, sa
11/19/26	10:00 AM	Conference Board Leading Index m/m	Oct	-0.3	0.0	--	0.0	%, sa
11/19/26	11:00 AM	Kansas City Fed Manf. Activity	Nov	18.0	10.5	--	11.0	sa, index
11/20/26	10:00 AM	U. of Mich. Sentiment	Nov F	51.5	51.6	--	51.0	index, nsa
11/20/26	10:00 AM	U. of Mich. 1 Yr Inflation	Nov F	3.7	4.2	--	4.3	nsa
11/20/26	10:00 AM	U. of Mich. 5-10 Yr Inflation	Nov F	3.3	3.4	--	3.4	nsa

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
11/23/26	8:30 AM	Chicago Fed Nat Activity Index	Oct	-0.1	0.2	--	0.1	index, nsa
11/23/26	9:45 AM	S&P Global US Manufacturing PMI	Nov P	54.5	54.5	--	54.9	index, sa
11/23/26	9:45 AM	S&P Global US Services PMI	Nov P	54.7	55.5	--	56.1	index, sa
11/23/26	9:45 AM	S&P Global US Composite PMI	Nov P	54.6	55.6	--	55.9	index, sa
11/24/26	9:00 AM	FHFA House Price Index m/m	Sep	--	0.2	--	0.3	%, sa
11/24/26	9:00 AM	S&P CoreLogic CS 20-City m/m SA	Sep	--	0.2	--	0.3	%, sa
11/24/26	9:00 AM	S&P CoreLogic CS 20-City y/y NSA	Sep	--	2.7	--	2.7	%, nsa
11/24/26	10:00 AM	Richmond Fed Manufact. Index	Nov	--	-2.0	--	-2.0	index, sa
11/24/26	10:00 AM	Conf. Board Consumer Confidence	Nov	--	92.4	--	91.7	index, sa
11/25/26	-	Building Permits	Oct F	--	1,295	--	1,295	k, saar
11/25/26	-	Building Permits m/m	Oct F	--	--	--	-7.4	%, sa
11/25/26	7:00 AM	MBA Mortgage Applications w/w	Nov 20	--	--	--	-2.3	%, sa
11/25/26	8:30 AM	Personal Income m/m	Oct	--	0.4	--	0.2	%, sa
11/25/26	8:30 AM	Personal Spending m/m	Oct	--	0.4	--	0.5	%, sa
11/25/26	8:30 AM	Real Personal Spending m/m	Oct	--	0.1	--	0.0	%, sa
11/25/26	8:30 AM	PCE Inflation m/m	Oct	--	0.3	--	0.5	%, sa
11/25/26	8:30 AM	PCE Inflation y/y	Oct	--	3.8	--	3.6	%, nsa
11/25/26	8:30 AM	PCE Core Inflation (ex Food and Energy) m/m	Oct	--	0.3	--	0.3	%, sa
11/25/26	8:30 AM	PCE Core Inflation (ex Food and Energy) y/y	Oct	--	3.2	--	3.1	%, nsa
11/25/26	8:30 AM	GDP Annualized q/q	3Q S	--	3.5	--	3.4	%, saar
11/25/26	8:30 AM	Personal Consumption q/q	3Q S	--	3.9	--	3.8	%, saar
11/25/26	8:30 AM	Core PCE Deflator q/q	3Q S	--	2.5	--	2.5	%, saar
11/25/26	8:30 AM	Initial Jobless Claims	Nov 21	--	200	--	203	k, sa
11/25/26	8:30 AM	Continuing Claims	Nov 14	--	1,738	--	1,763	k, sa
11/25/26	8:30 AM	Durable Goods Orders m/m	Oct P	--	0.6	--	1.9	%, sa
11/25/26	8:30 AM	Cap Goods Orders Nondef Ex Air m/m	Oct P	--	0.7	--	0.6	%, sa
11/25/26	8:30 AM	Cap Goods Ship Nondef Ex Air m/m	Oct P	--	0.8	--	1.2	%, sa
11/25/26	10:00 AM	New Home Sales	Oct	--	650	--	676	k, saar
11/25/26	10:00 AM	New Home Sales m/m	Oct	--	-3.8	--	-0.6	%, sa
11/27/26	8:30 AM	Retail Inventories m/m	Oct	--	0.3	--	0.3	%, sa
11/27/26	8:30 AM	Wholesale Inventories m/m	Oct P	--	0.5	--	0.7	%, sa

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

Sources: Bloomberg Consensus Survey of Economists, Arch Global Economics