

U.S. Data Review

- Existing home sales: a budding revival in September

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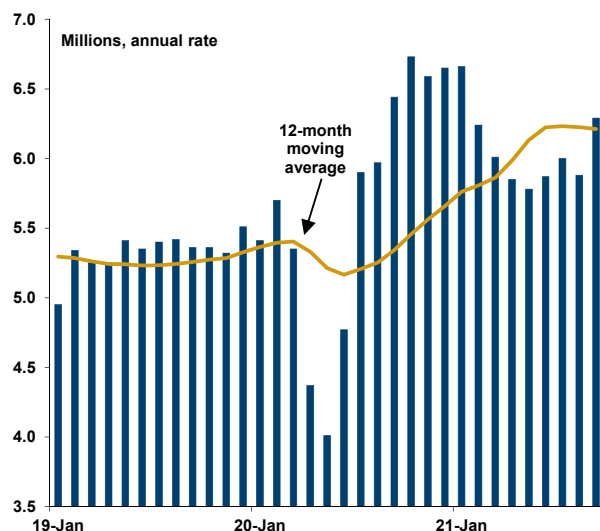
Existing Home Sales

Sales of existing homes jumped 7.0 percent in September, notably firmer than the expected increase of 3.6 percent. Although activity remained 5.6 percent below the level of sales in January, increases in three of the past four months (including the spurt in September) suggest that a revival is developing after inventory shortages and elevated prices led to softer sales in the spring. Moreover, despite recent challenges, sales remained well above pre-pandemic levels (chart, left).

Activity improved across all four major regions of the United States, with sales in the South (8.6 percent), the West (6.5 percent), and the Midwest (5.1 percent) all moving back to the middle of the ranges in place since the recovery from the pandemic. The Northeast recouped a smaller share of lost ground than the other regions, but it still posted a solid gain (5.5 percent).

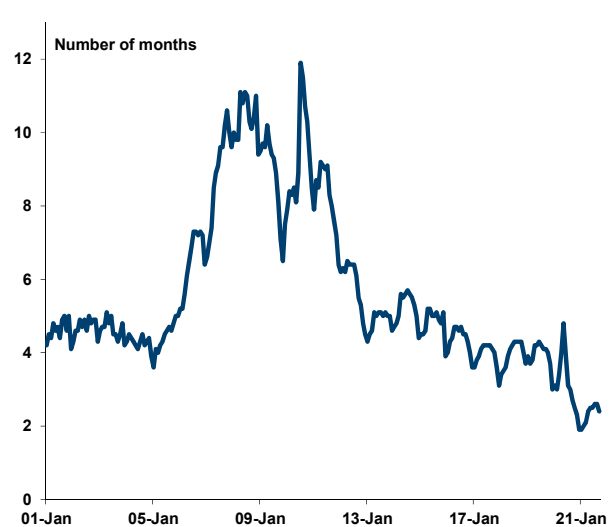
The National Association of Realtors noted in its latest press release that improvement in supply in the past few months helped to boost sales in September, after lean inventories likely dampened activity during the soft period earlier in the year. Inventories slipped 0.8 percent in the latest month, but the change was less than normal (this series is not seasonally adjusted; the average decline in the prior ten years totaled 2.5 percent). The dip in inventories, along with the pickup in sales, nudged the months' supply of homes available for sale two ticks lower to 2.4 months, a reading above the low of 1.9 months in December and January but low by historical standards (chart, right).

Existing Home Sales



Source: National Association of Realtors via Haver Analytics

Months' Supply of Unsold Homes



Source: National Association of Realtors via Haver Analytics

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