

U.S. Data Review

- Housing starts: weak single-family; correction in multi-family from elevated level

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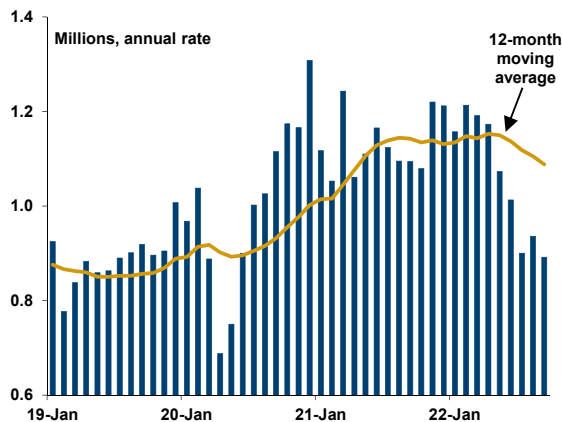
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Housing Starts

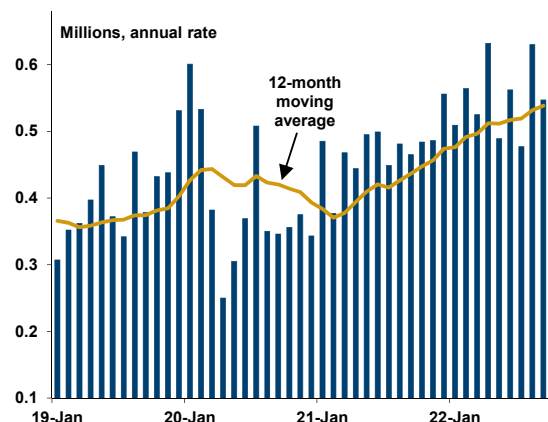
- Housing starts fell 8.1 percent in September to 1.439 million units, weaker than the expected drop of 7.2 percent. The soft results for September were joined by downward adjustments to readings in the prior two months, with total activity 1.2 percent lower than first reported.
- Builders cut single-family housing starts in September for the eighth time in the past 10 months. The latest decline of 4.7 percent pushed single-family starts to 0.892 million units, which was the lowest reading since mid-2020, when the economy was reopening from pandemic-driven shutdowns (chart, left). With home sales slowing sharply amid a spike in mortgage rates, builders are making efforts to control elevated inventories of unsold properties.
- Attempts by builders to control inventories also were evident in single-family building permits, which declined for the seventh consecutive month. The latest reading was off 3.1 percent on a month-to-month basis and down 21.9 percent from last year's firm average.
- Multi-family housing starts slipped 13.2 percent to 0.547 million, but the change occurred from the second firmest level of the current expansion, leaving activity at a still-strong level (chart, right). Preferences have shifted away from more expensive single-family dwellings, supporting demand for rental units.
- Multi-family permits rose 7.8 percent to a reading in the middle of the elevated range of the past year.

Single-Family Housing Starts



Source: U.S. Census Bureau via Haver Analytics

Multi-Family Housing Starts



Source: U.S. Census Bureau via Haver Analytics

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