

# August 2018 Housing Commentary



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# August 2018

## Housing Scorecard

	M/M	Y/Y
Housing Starts	△ 9.2%	△ 9.4%
Single-Family Starts	△ 1.9%	▽ 0.2%
Building Permits	▽ 5.7%	▽ 5.5%
Housing Completions	△ 2.5%	△ 11.2%
New Single-Family House Sales	△ 11.6%	△ 12.7%
Existing House Sales <sup>1</sup>	0.0%	▽ 1.5%
Private Residential Construction Spending	▽ 0.7%	△ 4.0%
Single-Family Construction Spending	▽ 0.7%	△ 4.2%

M/M = month-over-month; Y/Y = year-over-year

# Housing Data

	August	July	Aug. 2017
Total permits*	1,229,000	1,303,000	1,300,000
Single-family permits	820,000	873,000	803,000
Multi-family 2-4 unit permits	39,000	28,000	36,000
Multi-family $\geq 5$ unit permits	370,000	402,000	461,000
Total starts	1,282,000	1,174,000	1,172,000
Single-family starts	876,000	860,000	878,000
Multi-family 2-4 unit starts**	14,000	6,000	8,000
Multi-family $\geq 5$ unit starts	392,000	308,000	286,000
Total completions	1,213,000	1,183,000	1,091,000
Single-family completions	923,000	827,000	751,000
Multi-family 2-4 unit completions**	5,000	6,000	3,000
Multi-family $\geq 5$ unit completions	285,000	350,000	337,000

\* All data are presented at a seasonally adjusted annual rate (SAAR).

\*\* US DOC does not report 2-4 multi-family starts and completions directly, this is an estimation.

Source: U.S. Department of Commerce-Construction: [www.census.gov/construction/nrc/pdf/newresconst.pdf](http://www.census.gov/construction/nrc/pdf/newresconst.pdf); 09/14/18

# Housing Data

	August	July	Aug. 2017
New single-family sales	629,000	608,000	558,000
Median price	\$320,200	\$328,100	\$314,200
Existing sales <sup>a</sup>	5,340,000	5,340,000	5,420,000
Median price	\$264,800	\$269,300	\$253,100
Private Residential Construction	\$548.9 billion	\$553.0 billion	\$527.5 billion
SF construction	\$284.9 billion	\$286.8 billion	\$273.6 billion
MF construction	\$58.6 billion	\$59.6 billion	\$58.9 billion
Improvement construction <sup>b</sup>	\$205.4 billion	\$206.6 billion	\$195.1 billion

<sup>a</sup> NAR®

<sup>b</sup> The US DOC does not report improvements directly, this is an estimation. All data is SAAR and is reported in nominal US\$.

Sources:

NAR® [www.realtor.org/topics/existing-home-sales](http://www.realtor.org/topics/existing-home-sales); 06/20/18

U.S. Department of Commerce-Construction: [www.census.gov/construction/nrs/pdf/newressales.pdf](http://www.census.gov/construction/nrs/pdf/newressales.pdf); 06/25/18

U.S. Department of Commerce-C30 Construction: [www.census.gov/construction/c30/pdf/privsa.pdf](http://www.census.gov/construction/c30/pdf/privsa.pdf); 07/02/18

# Conclusions

August's housing data is mixed – total starts are up by 9.2% (m/m), single family homes starts are up by 1.9% (m/m), permits down by 5.7% (m/m), completions up by 2.5% (m/m), and existing home sales were unchanged from the month before.

Numerous negative macro-factors endangering a robust housing markets exist, in particular:

- 1) A constrained quantity of well-paying jobs being created;
- 2) Increasing interest rates;
- 3) Lagging household formation rates;
- 4) Changing attitudes towards (SF) home ownership; and
- 5) Global uncertainty

# July 2018

## EU Housing Scorecard

		M/M	Y/Y
Production in Construction <sup>A</sup>	EU 28	△ 0.4% <sup>s</sup>	△ 3.9% <sup>s</sup>
	EU 19	△ 0.3% <sup>s</sup>	△ 2.6% <sup>s</sup>
	Germany	△ 2.8%	△ 4.0%
	France	▽ 1.8%	△ 0.4%
	UK	△ 0.5% <sup>p</sup>	△ 5.9% <sup>p</sup>
	Spain	▽ 0.9% <sup>ps</sup>	▽ 5.2% <sup>p</sup>
Building permits (m <sup>2</sup> floor) <sup>A</sup>	EU 28	--	--
	EU 19	△ 3.2% <sup>(o6)</sup>	▽ 0.1% <sup>s(o6)</sup>
	Germany	△ 5.3%	△ 8.0%
	France	△ 1.6% <sup>s</sup>	▽ 7.6% <sup>e</sup>
	UK	--	--
	Spain	△ 19.0% <sup>s(o6)</sup>	△ 20.3% <sup>e(o6)</sup>

M/M = month-over-month; Y/Y = year-over-year

Source: Eurostat (<http://ec.europa.eu/eurostat/web/short-term-business-statistics/data/main-tables>;  
10/07/18)

<sup>A</sup> see <http://ec.europa.eu/eurostat/web/short-term-business-statistics/overview/sts-in-brief>

<sup>e</sup> estimate <sup>s</sup> Eurostat estimate <sup>p</sup> provisional -- no data available <sup>(o6)</sup> June data

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