

# U.S. Data Review

- Existing home sales: a dip in April; modest response to low interest rates

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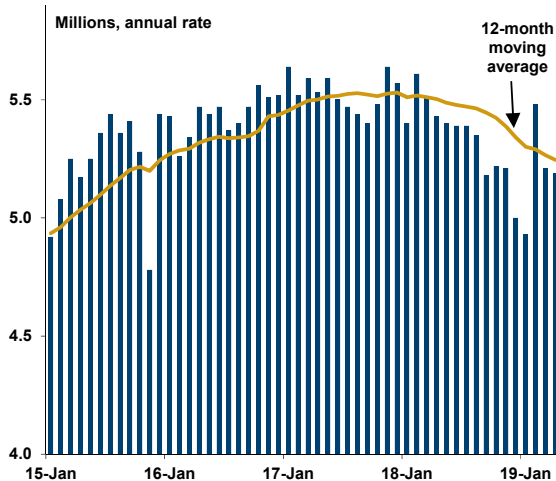
## Existing Home Sales

Sales of existing homes eased 0.4 percent in April, a contrast to the expected increase of 2.7 percent. After losing ground most of last year, activity surged in February in response to the drop in interest rates in late 2018. However, there was no follow through to the jump, as sales slipped in March and then dipped in April. The level of sales in the latest month, although better than that in Q4, was below the average from last year (chart, left). Lower interest rates have helped, but not by much.

The month-to-month changes varied by geographic region, with the West posting a firm increase while the Northeast tumbled; activity in the South and Midwest was little changed. While results varied in April, all four regions registered similar longer-run patterns in that they have eased from results in early 2018.

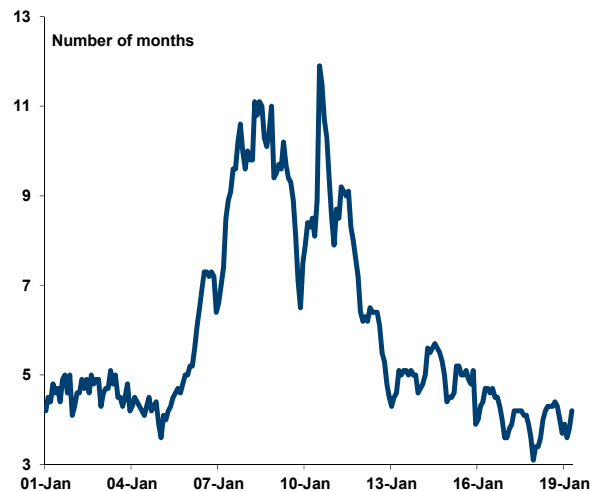
The number of homes on the market jumped 9.6 percent. However, this series is not seasonally adjusted, and inventories typically increase in April. The latest increase was close to the average of 9.2 percent in the prior 10 years. With inventories up (NSA) and sales little changed, the months' supply of homes rose to 4.2 months from 3.8 in March, a reading in the low portion of the historical range (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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