



US Housing Report

US Housing Market Mixed; Signs of a Slowdown in Groundbreaking



- 1) US housing starts in November totaled a seasonally adjusted 1,090,000, down 18.7% month over month, following a spike in October.
- 2) New home sales and existing home sales increased by 5.2% and 0.7% month over month in November, respectively.
- 3) The months' supply of new home sales stood at 5.1 in November, approaching the healthy balance of 6-months' supply of houses, while supplies of existing home sales remain low.
- 4) The S&P CoreLogic Case-Shiller 20-City Composite Home Price NSA Index showed a year-over-year gain of 5.1% in October, supported by low mortgage rates.

Indicator	Period	Actual	Survey	Prior	Impact on Economy*
Construction					
Housing Starts ('000)	Nov	1,090	1,230	1,340	-
Building Permits ('000)	Nov	1,201	1,240	1,260	-
Home Sales					
New Home Sales (MoM)	Nov	5.2%	-	(1.4)%	+
Existing Home Sales (MoM)	Nov	0.7%	(1.8)%	2.0%	+
Home Prices					
S&P CoreLogic Case-Shiller 20-City Home Price Index (NSA, YoY)	Oct	5.1%	-	5.1%	+
Median Sales Price for New Home Sales (NSA, YoY)	Nov	(3.7)%	-	1.3%	-
Median Sales Price of Existing Home Sales (NSA, YoY)	Nov	6.8%	-	6.8%	+

*Fung Global Retail & Technology's evaluation of the actual value's impact on the economy relative to historic benchmarks and the current macroeconomic environment. + indicates a positive signal for the country's economy and - indicates a negative signal.

Source: US Bureau of the Census/Federal Reserve Board/S&P/National Association of Realtors

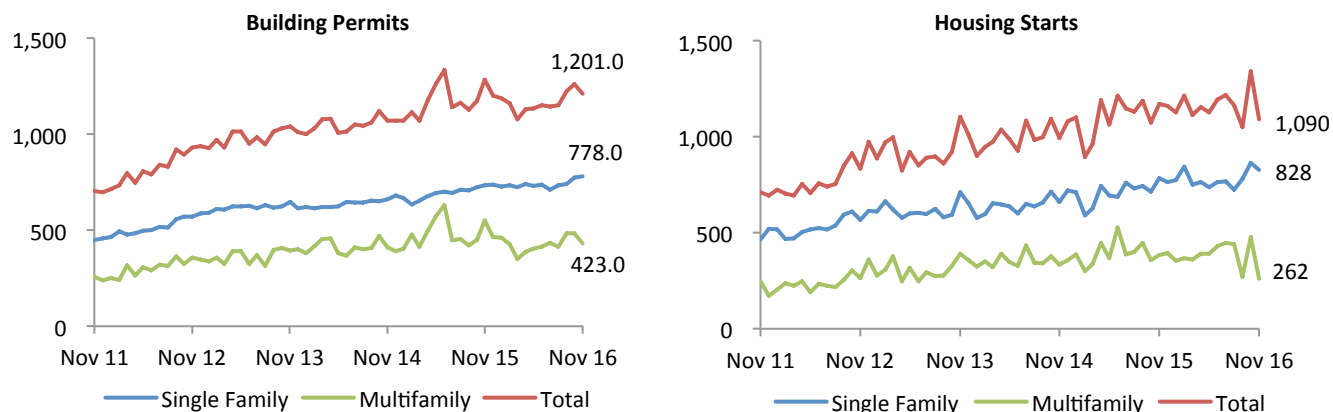
Home Construction

US housing starts in November totaled 1,090,000, declining 18.7% month over month, following a spike in October.

US building permits totaled a seasonally adjusted 1,201,000, down 4.7% month over month. The drop in building permits indicates a further contraction in new construction activity.

US housing starts in November totaled a seasonally adjusted 1,090,000, declining 18.7% month over month, following a spike in October. The November reading missed the median estimate of 1,230,000 groundbreaking activities.

Figure 1. US Home Construction ('000)



Source: US Bureau of the Census

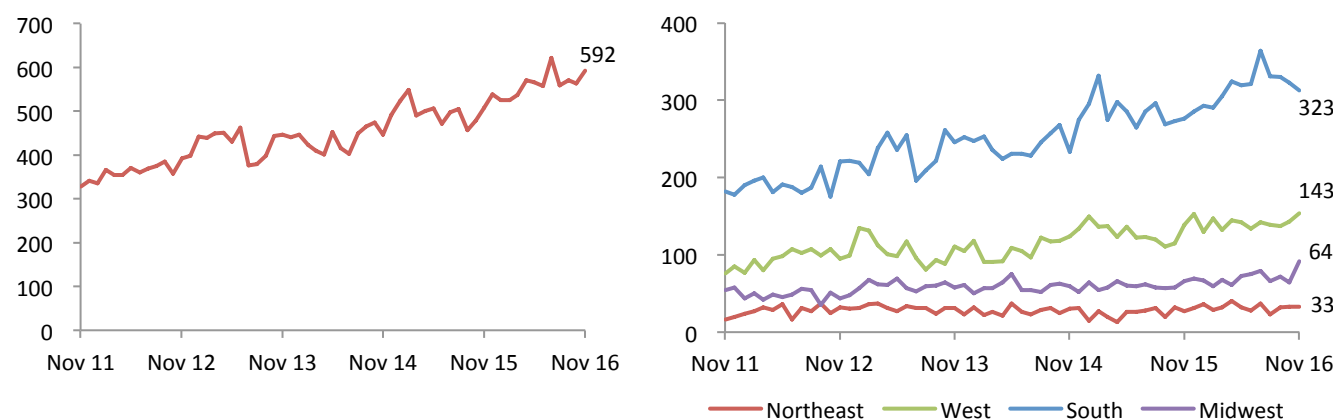
Home Sales

New home sales in the US increased by 5.2% month over month in November, better than the previous reading of a 1.4% drop.

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New home sales in the South, which account for more than half of new home sales, saw a 3.1% decrease month over month. Sales in the Midwest jumped 43.8%, and in the West increased by 7.7%, its highest level since January 2008.

Figure 2. New Home Sales ('000)

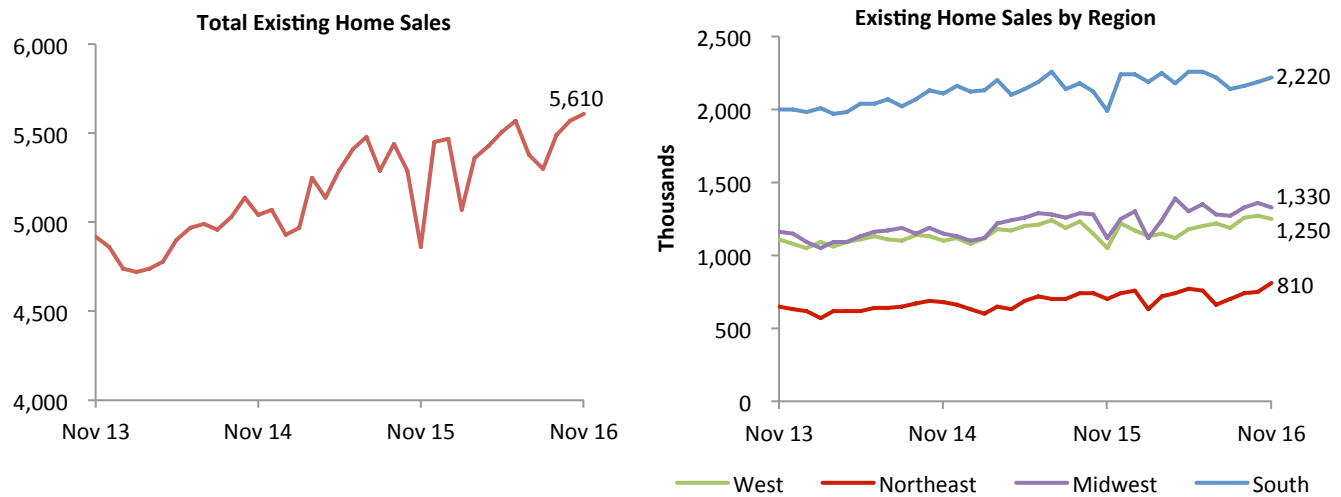


Source: US Bureau of the Census/Federal Reserve Board

Existing home sales edged up 0.7% month over month in November, reaching 5.61 million.

Existing home sales edged up 0.7% month over month in November, reaching 5.61 million. Pending home sales dropped 2.5% month over month in November, revealing weakness that will be reflected in December's data. The fear of a drop in home prices following mortgage rate hikes counteracts buyers' attempts to lock in low mortgage rates before they spike further.

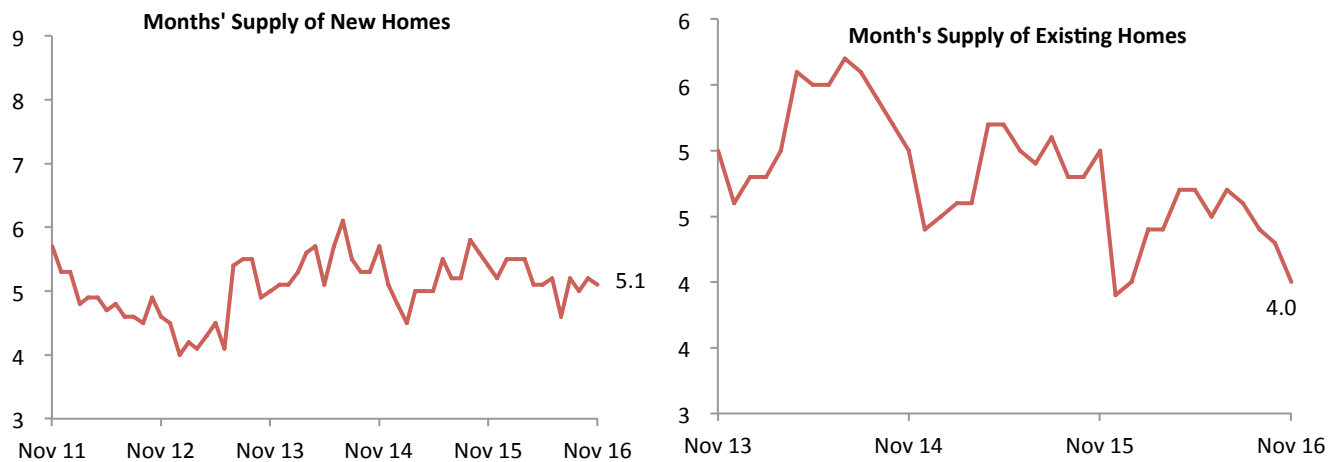
Figure 3. Existing Home Sales ('000)



Source: National Association of Realtors/Federal Reserve Board

November's months' supply of new and existing home sales stood at 5.1 and 4.0, respectively. Supplies of new home sales have improved to approach the healthy balance of 6 months' supply of houses. However, existing home supplies remain scarce, due to the recent improvement in sentiment.

Figure 4. Months' Supply of Home Sales



Source: US Bureau of the Census/National Association of Realtors

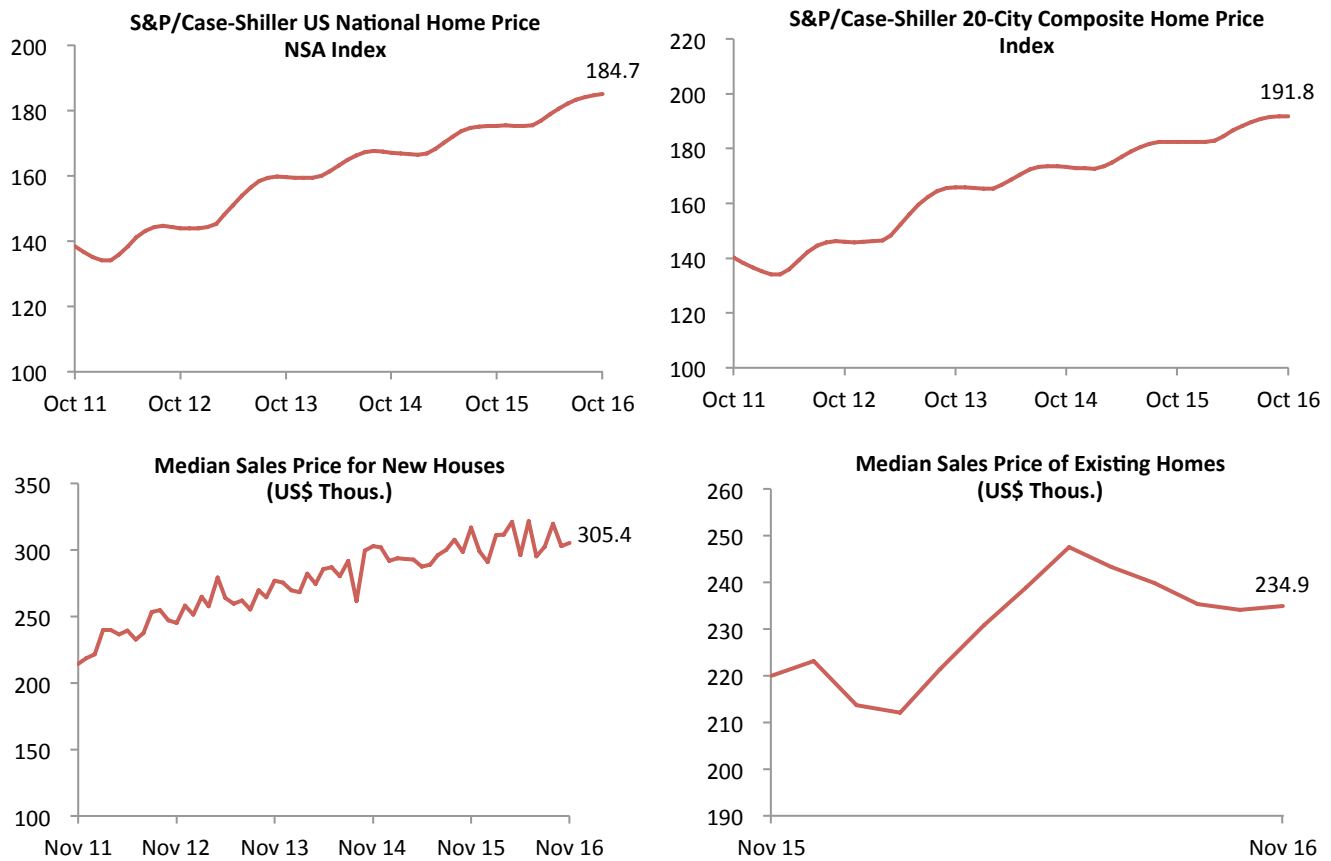
Home Prices

The S&P CoreLogic Case-Shiller 20-City Composite Home Price NSA Index showed a year-over-year gain of 5.1% in August, above July's reading and the consensus estimate of 5.0%.

The S&P CoreLogic Case-Shiller 20-City Composite Home Price NSA Index increased by 0.6% month over month in October, above the expected 0.5% and following an upward revision to 0.5% in the previous month. On a year-over-year basis, the index rose by 5.1%. Home prices continued to rise moderately, supported mainly by low mortgage rates.

The median home price for a new house in November was US\$305,400, down 3.7% year over year, and for an existing house was US\$234,900, up 6.8% year over year.

Figure 5. Home Prices



Source: US Bureau of the Census/S&P/National Association of Realtors

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