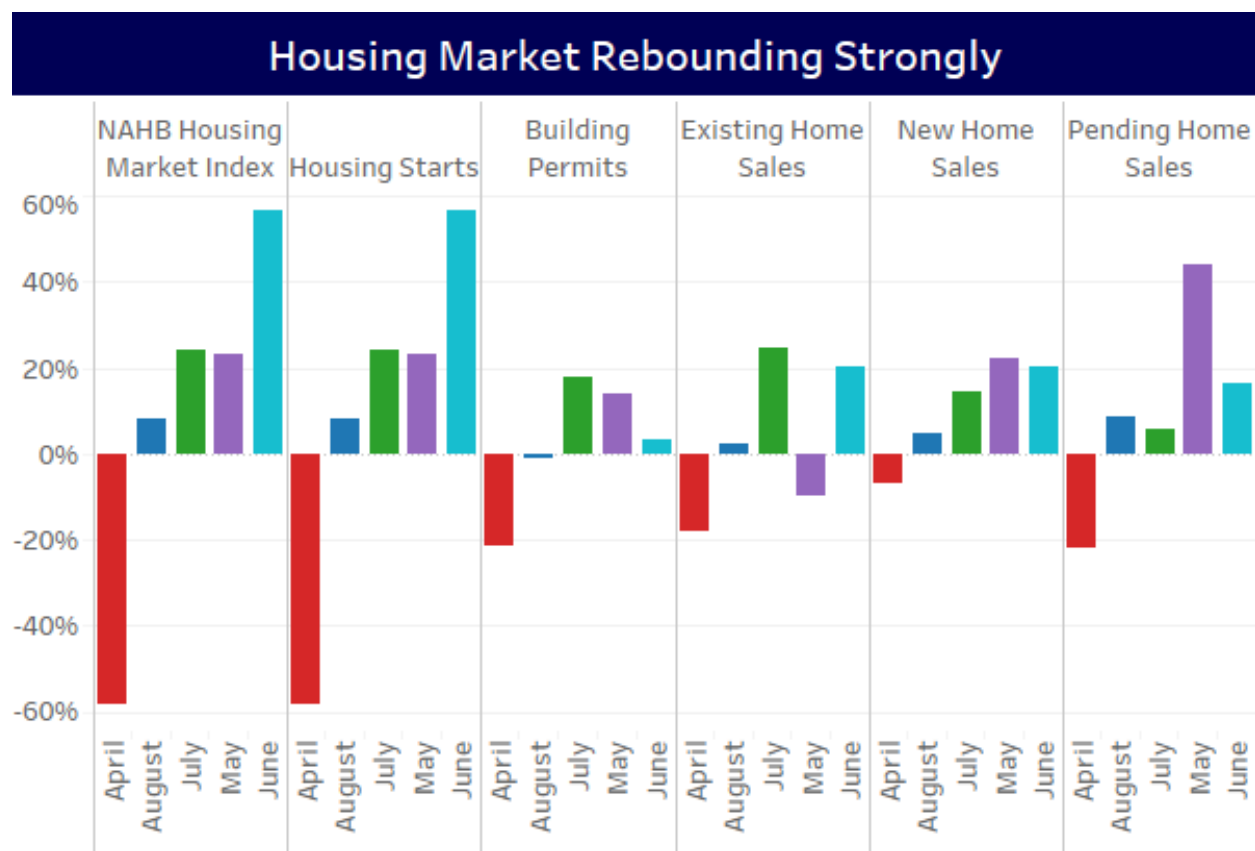


## Housing Market Indicators Rise for Fourth Straight Month

The housing market is one sector on the top part of the “K” in the ongoing “K-shaped” economic recovery. Now that all the data is in for August, we know it was the fourth consecutive month of sharp gains for the market. Home sales had tanked in March and April when people were stuck at home. But since the Great Pause has ended, homebuying has been on a tear.

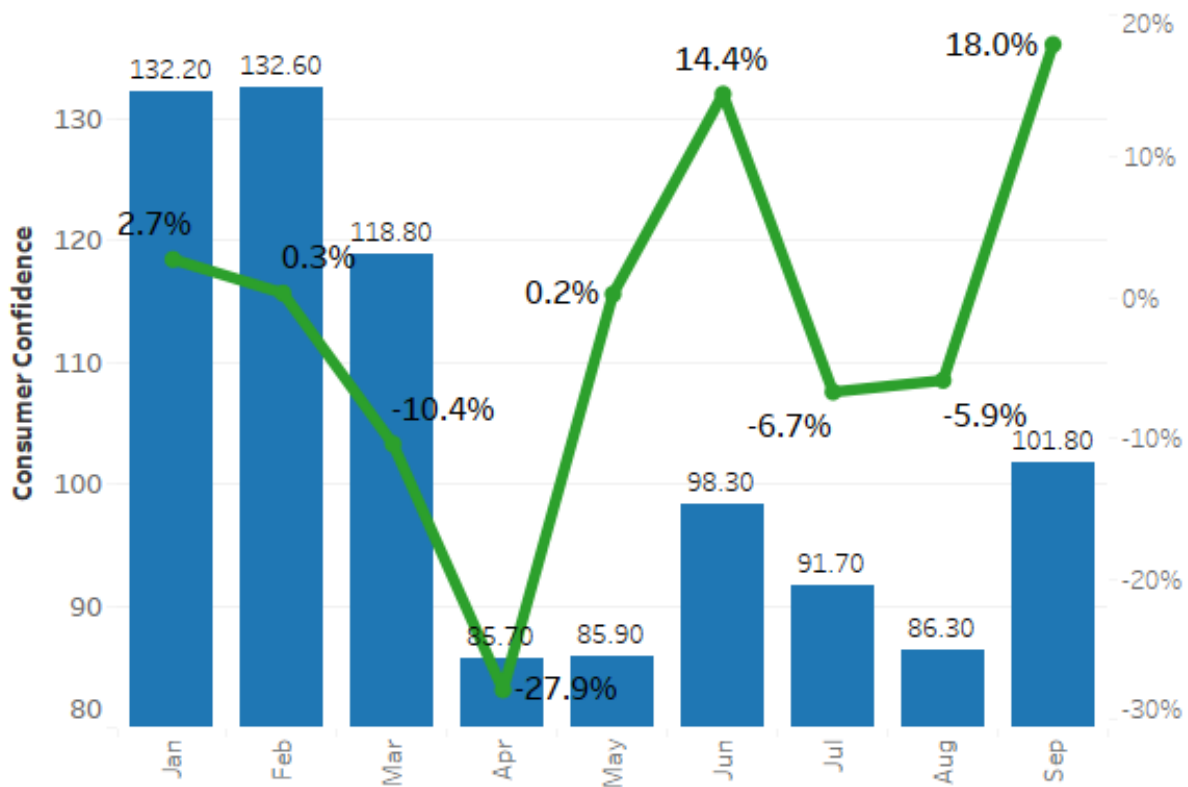
**August numbers:** Pending home sales led the way rising almost 9%, the NAHB Housing Market Index rose over 8%, new home sales were up about 5%, existing home sales were up 2.4%, and home prices were up 0.8%.

Building permits and housing starts fell 1% and 5% respectively, but only because they rose a blistering 18% in July and had previously risen sharply in May and June.



The housing market is one of the brightest spots in the economy right now. It is likely to remain that way because, according to the Conference Board, [consumer confidence picked up](#) considerably in September. Overall confidence is still well below pre-pandemic levels, but it is now much higher than it was in April and May during the depths of the recession.

## Consumer Confidence Back on the Rise



**More importantly:** Consumers' expectations for the future rose even more than their current feelings about the economy. Consumers spend more on big ticket items that require financing, like housing, when they are more confident about the future.

The virus is still the driver of economic performance. If virus cases resurge soon, the progress on housing and consumer confidence will fall. If virus levels remain relatively low, then both should continue to pick up.

### Dig deeper:

- [Latest Job Market Data Shows the Uneven Impacts of a K-Shaped Recovery on US Industries](#)

—Curtis Dubay, Senior Economist, U.S. Chamber of Commerce