



## Macroeconomic Indicators

### New Home Sales

#### Definition

New home sales (released as “new residential sales”) measure the number of newly constructed homes with a committed sale during the month. New home sales data only include new single-family residential structures. Sales of multifamily units are excluded from these statistics. To be included in the sales estimates, the sales transaction must intend to include both the house and the land. The sale of a house may take place at any stage of construction, even before the building permit is issued. Excluded from these estimates are houses built for rent, houses built by the owner, and houses built by a general contractor on the owner's land. The data are from the Survey of Construction (SOC), which is partially funded by the U.S. Department of Housing and Urban Development.

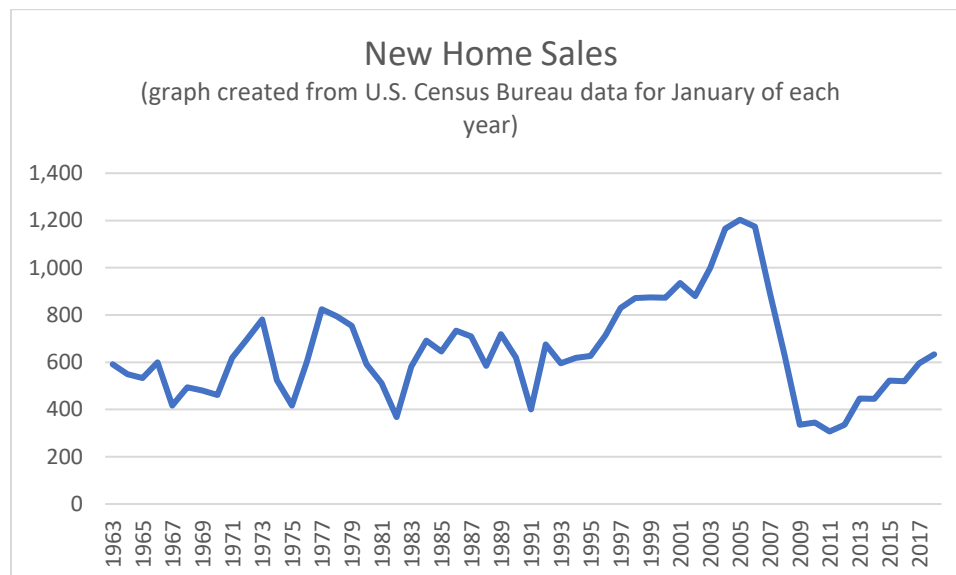
#### Who Releases the New Home Sales Data?

U.S. Census Bureau and U.S. Department of Housing and Urban Development

Available to the public: <https://www.census.gov/construction/nrs/pdf/newressales.pdf>.

#### What Does the Indicator Tell Investors?

The report is a good gauge of the housing market, as well as the state of the economy. The housing market has a multiplier effect for the economy, as home buyers will also need furniture, appliances, and services, such as landscaping when they are purchasing a home. A strong housing market often goes hand in hand with a bullish stock market. Rising interest rates may provide headwind to the housing market, making housing less affordable.





**Type of Indicator**

New Home Sales is a leading economic indicator.

**How Often Is the Indicator Released?**

Once a month, towards the end of the month.

**Is the Indicator Revised?**

Yes.