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Summary: Federal government indicators and reports this week show an increase in orders of durable goods, U.S. assets, GDP, and personal income. Adhering to similar positive trends, the national and Tennessee state levels for initial unemployment claims decreased. Consumer confidence also increased [“to its highest level since January 2022, reflecting improved current conditions and a pop in expectations.”](#) In the housing market, 30-year and 15-year fixed-rate mortgages increased from the previous week along with mortgage applications. Residential single-family home sales increased while The Pending Home Sales Index, a forward-looking indicator of home sales based on contract signings, dropped.

Federal Government Indicators and Reports

Census Bureau

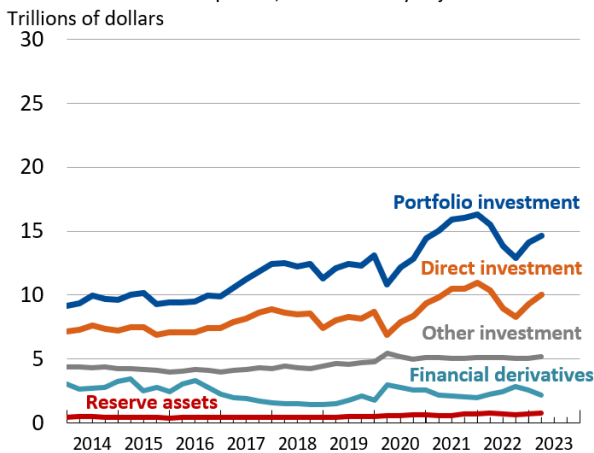
Tuesday, [Durable Goods](#): “New orders for manufactured durable goods in May, up three consecutive months, increased \$4.9 billion or 1.7 percent to \$288.2 billion.”

Bureau of Economic Analysis

Wednesday, [U.S. International Investment Position](#): “The U.S. net international investment positions, the difference between U.S. residents’ foreign financial assets and liabilities, was -16.75 trillion at the end of the first quarter of 2023. . . . U.S. assets increased by \$1.11 trillion to a total of \$32.74 trillion at the end of the first quarter. . . . U.S. liabilities increased by \$1.69 trillion to a total of \$49.49 trillion at the end of the first quarter.”

Chart 3. U.S. Assets by Category

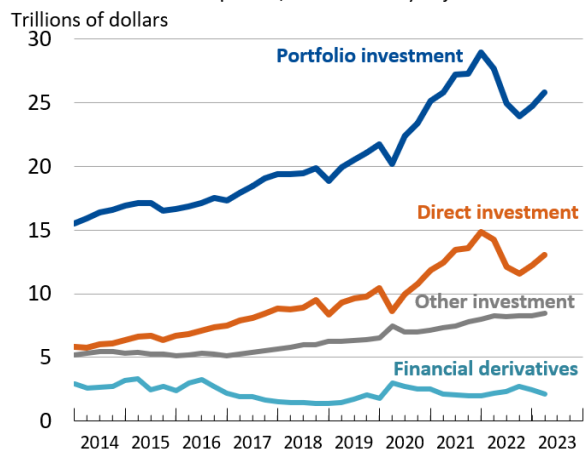
End of quarter, not seasonally adjusted



U.S. Bureau of Economic Analysis

Chart 4. U.S. Liabilities by Category

End of quarter, not seasonally adjusted



U.S. Bureau of Economic Analysis

Thursday, [Gross Domestic Product](#): “Real gross domestic product (GDP) increased at an annual rate of 2.0 percent in the first quarter of 2023, according to the ‘third’ estimate released by the Bureau of Economic Analysis. In the fourth quarter, real GDP increased 2.6 percent.”

Friday, [Personal Income](#): “Personal income increased \$91.2 billion (0.4 percent at a monthly rate) in May. . . . Disposable personal income (DPI), personal income less personal current taxes, increased \$86.7 billion (0.4 percent) and personal consumption expenditures (PCE) increased \$18.9 billion (0.1 percent).”

Bureau of Labor Statistics

Wednesday, [Metropolitan Area Employment and Unemployment](#): “Unemployment rates were lower in May than a year earlier in 177 of the 389 metropolitan areas, higher in 158 areas, and unchanged in 54 areas.” The civilian labor force in Tennessee decreased from 3,375,814 in May 2022 to 3,370,833 in May 2023, while increasing in five metropolitan areas in the state and decreasing in another five. The number of unemployed individuals in Tennessee increased from 106,909 in May 2022 to 109,428 in May 2023, increasing in eight metropolitan areas in the state and decreasing in two.

Department of Labor

Thursday, [Initial Unemployment Claims](#): “In the week ending June 24, the advance figure for seasonally adjusted initial claims was 239,000, a decrease of 26,000 from the previous week’s revised level. The 4-week moving average was 257,000, an increase of 1,500 from the previous week’s revised average.” There were 2,167 initial claims in Tennessee for the week ending June 24, a decrease of 232 from the previous week.

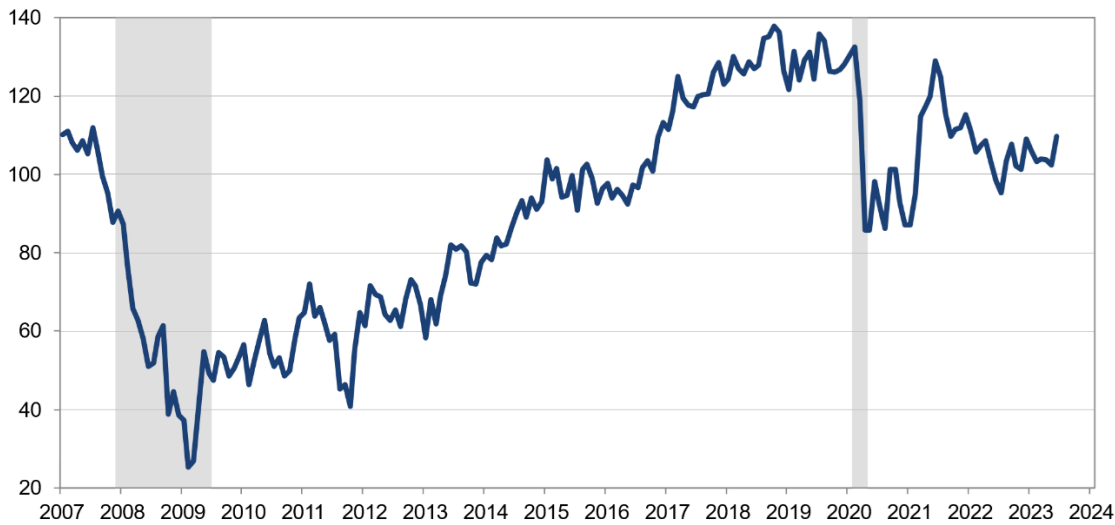
Economic Indicators and Confidence

The Conference Board

Tuesday, [Consumer Confidence](#): “The Conference Board Consumer Confidence Index increased in June to 109.7, up from 102.5 in May. The Present Situation Index—based on consumers’ assessment of current business and labor market conditions—rose to 155.3 from 148.9 last month. The Expectations Index—based on consumers’ short-term outlook for income, business, and labor market conditions—rose to 79.3 from 71.5 in May.” According to Dana Peterson, chief economist at the Conference Board, “consumer confidence improved in June to its highest level since January 2022, reflecting improved current conditions and a pop in expectations. . . . Greater confidence was most evident among consumers under age 35, and consumers earning incomes over \$35,000.”

Consumer Confidence Index®

Index, 1985 = 100



*Shaded areas represent periods of recession.
Sources: The Conference Board; NBER
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Mortgages and Housing Markets

Census Bureau

Tuesday, [Residential Sales](#): “Sales of new single-family houses in May 2023 were at a seasonally adjusted annual rate of 763,000. . . . This is 12.2 percent above the revised April rate of 680,000 and is 20.0 percent above the May 2022 estimate of 636,000. . . . The median sales price of new houses sold in May 2023 was \$416,300. The average sales price was \$487,300. . . . The seasonally-adjusted estimate of new houses for sale at the end of May was 428,000. This represents a supply of 6.7 months at the current sales rate.”

Mortgage Bankers Association

Wednesday, [Mortgage Applications](#): “Mortgage applications increased 3.0 percent from one week earlier.” According to Joel Kan, MBA’s vice president and deputy chief economist, “Purchase applications increased for the third consecutive week to the highest level of activity since early May but remained more than 20 percent lower than year ago levels. New home sales have been driving purchase activity in recent months as buyers look for options beyond the existing-home market. Existing-home sales continued to be held back by a lack of for-sale inventory as many potential sellers are holding on to their lower-rate mortgages.”

Freddie Mac

Thursday, [Mortgage Rates](#): “30-year fixed-rate mortgage averaged 6.71 percent as of June 29, 2023, up from last week when it averaged 6.67 percent. A year ago at this time, the 30-year FRM averaged 5.70 percent. . . . 15-year fixed-rate mortgage averaged 6.06 percent, up from last week when it averaged 6.03 percent. A year ago at this time, the 15-year FYM averaged 4.83 percent.”

S&P Global

Tuesday, [Case-Shiller Index](#): The S&P CoreLogic Case-Shiller Indices, the leading measure of U.S. home prices, showed “all 20 major metro markets again reported month-over-month price increases with gains accelerating in 12 markets” in April 2023. According to Craig J. Lazzara, managing director at S&P Dow Jones Indices, “Home prices peaked in June 2022, declined until January 2023, and then began to recover.”

National Association of Realtors

Thursday, [Pending Home Sales](#): “The Pending Home Sales Index (PHSI)—a forward-looking indicator of home sales based on contract signings—dropped 2.7 percent to 76.5 in May. Year over year, pending transactions fell by 22.2 percent. . . . The South PHSI decreased 4.4 percent to 94.4 in May, reducing 19.6 percent from the prior year.”