

Economic Update, June 21, 2024
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Summary: Federal government indicators this week displayed an increase in advance monthly retail sales, business inventories, and industrial production. Initial unemployment claims at both the national and Tennessee levels were down this week from the previous week's levels. In the housing market, commercial and multifamily mortgage debt increased in the first quarter of 2024. Despite both 30-year and 15-year fixed-rate mortgages decreasing for the third straight week, the housing market index displayed the lowest level of builder confidence since December 2023. Building permit authorizations, housing starts, and housing completions for privately-owned housing units were all down in May from their April estimates.

Federal Government Indicators and Reports

U.S. Census Bureau

Tuesday, [Advance Monthly Retail Sales](#): "Advance estimates of U.S. retail and food services sales for May 2025, adjusted for seasonal variation and holiday and trading-day differences, but not for price changes, were \$703.1 billion, up 0.1 percent from the previous month, and up 2.3 percent above May 2023. Total sales for the March 2024 through May 2024 period were up 2.9 percent from the same period a year ago."

Tuesday, [Business Inventories](#): "The combined value of distributive trade sales and manufacturers' shipments for April, adjusted for seasonal and trading day differences but not for price changes, was estimated at \$1,862.4 billion, up 0.3 percent from March 2024 and was up 2.2 percent from April 2023."

Thursday, [New Residential Construction](#): "Privately-owned housing units authorized by building permits in May were at a seasonally adjusted annual rate of 1,386,000. This is 3.8 percent below the revised April rate of 1,440,000 and is 9.5 percent below the May 2023 rate of 1,532,000. . . . Privately-owned housing starts in May were at a seasonally adjusted annual rate of 1,277,000. This is 5.5 percent below the revised April estimate of 1,352,000 and is 19.3 percent below the May 2023 rate of 1,583,000. . . . Privately-owned housing completions in May were at a seasonally adjusted annual rate of 1,514,000. This is 8.4 percent below the revised April estimate of 1,652,000, but is 1.0 percent above the May 2023 rate of 1,499,000."

Federal Reserve

Tuesday, [Industrial Production](#): "Industrial production rose 0.9 percent in May. Manufacturing output posted a similar gain of 0.9 percent after declining in the previous two months."

Department of Labor

Thursday, [Initial Claims](#): "In the week ending June 15, the advance figure for seasonally adjusted initial claims was 238,000, a decrease of 5,000 from the previous week's revised level." In Tennessee, the advance figure for initial claims filed during the week ending June 15 was 2,879, a decrease of 545 from the previous week's level.

Mortgages and Housing Markets

Mortgage Bankers Association

Tuesday, [Mortgage Debt](#): “Total commercial/multifamily mortgage debt outstanding rose to \$4.70 trillion at the end of the first quarter. Multifamily mortgage debt alone increased \$23.7 billion (1.1 percent) to \$2.10 trillion from the fourth quarter of 2023.”

National Association of Homebuilders

Wednesday, [Housing Market Index](#): “Builder confidence in the market for newly built single-family homes was 43 in June, down two points from May, according to the National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index (HMI) released today. This is the lowest reading since December 2023.”

Freddie Mac

Thursday, [Mortgage Rates](#): According to Sam Khater, Freddie Mac’s chief economist, “mortgage rates fell for the third straight week following signs of cooling inflation and market expectations of a future Fed rate cut.” In short, “the 30-year fixed-rate mortgage (FRM) averaged 6.87 percent as of June 20, 2024, down from last week when it averaged 6.95 percent. A year ago at this time, the 30-year FRM averaged 6.03 percent. . . . The 15-year FRM averaged 6.13 percent, down from last week when it averaged 6.17 percent. A year ago at this time, the 15-year FRM averaged 6.03 percent.”