# Fannie Mae®

March 2019 Data Release

The Home Purchase Sentiment Index® (HPSI) is a composite index designed to track consumers' housing-related attitudes, intentions, and perceptions, using six questions from the National Housing Survey® (NHS).

The Home Purchase Sentiment Index

The HPSI rose 5.5 points in March to 89.8, reversing the slight decline in February and reaching its highest point since June 2018.

Home Purchase Sentiment Index (HPSI)
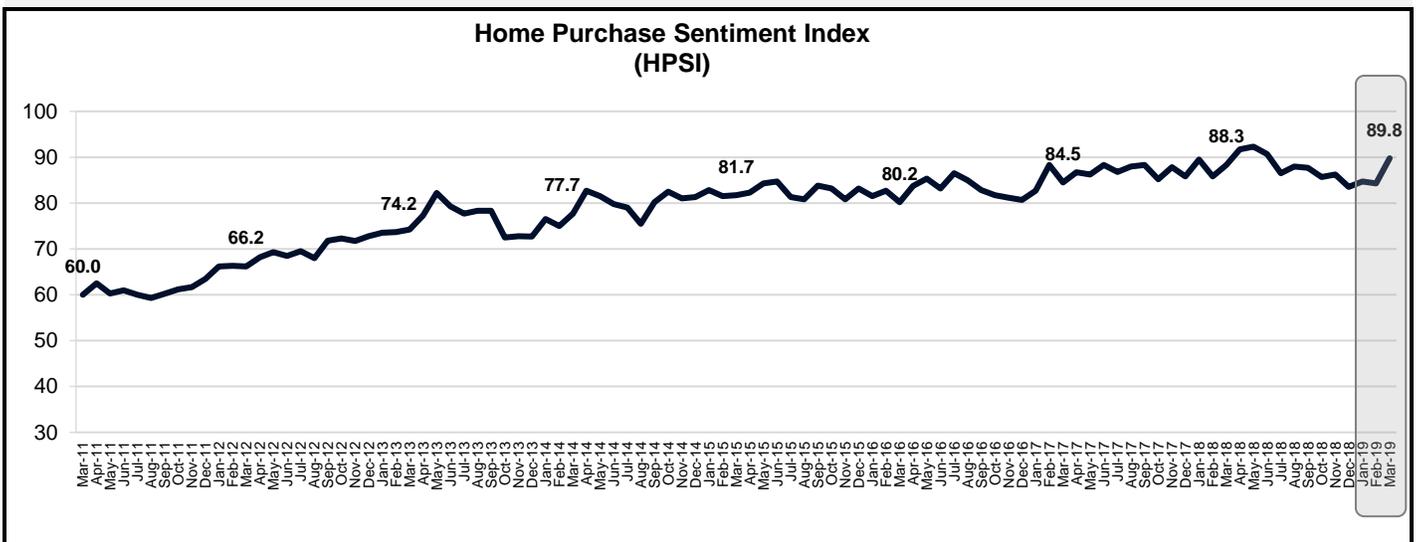
Components of the HPSI

The increases in the HPSI can be attributed to increases in all but one of the components: Good Time To Sell (+13), Good Time To Buy (+7), Mortgage Rates Will Go Down (+7), Home Prices Will Go Up (+5), and Household Income Is Significantly Higher (+2). One component decreased: Confidence About Not Losing Job (-1).

|	March 2019*	Change Since Last Month	Change Since Last Year
March 2019 HPSI	**89.8**	**+5.5**	**+1.5**
Good Time To **Buy**	22	+7	-10
Good Time To **Sell**	43	+13	+4
Home Prices Will Go Up (next 12 months)	38	+5	-4
Mortgage Rates Will Go Down (next 12 months)	-45	+7	+7
Confidence About Not Losing **Job** (next 12 months)	80	-1	+9
Household **Income** Is Significantly Higher (past 12 months)	20	+2	+3
* Net percentages of the component questions used to calculate HPSI, e.g. (Percent Good Time to Buy – Percent Bad Time to Buy) = 22			

Components of the HPSI – Good/Bad Time to Buy and Sell a Home

In March, the net share of Americans who say it is a good time to buy rose 7 percentage points to 22%.

Respondents who say it is a... to buy

······ Good Time   ······ Bad Time   —— Net Good Time
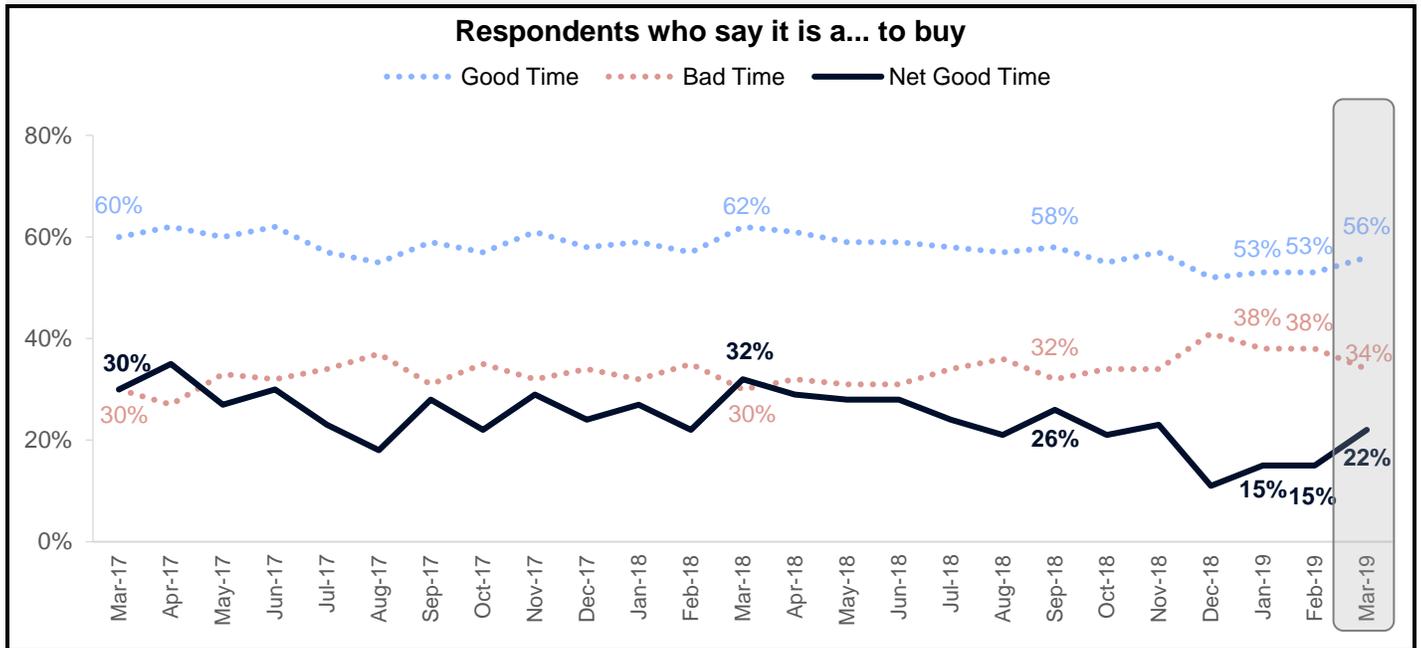
The net percentage of those who say it is a good time to sell rose sharply to 43%, reaching its highest point since last summer.

Respondents who say it is a... to sell

······ Good Time   ······ Bad Time   —— Net Good Time
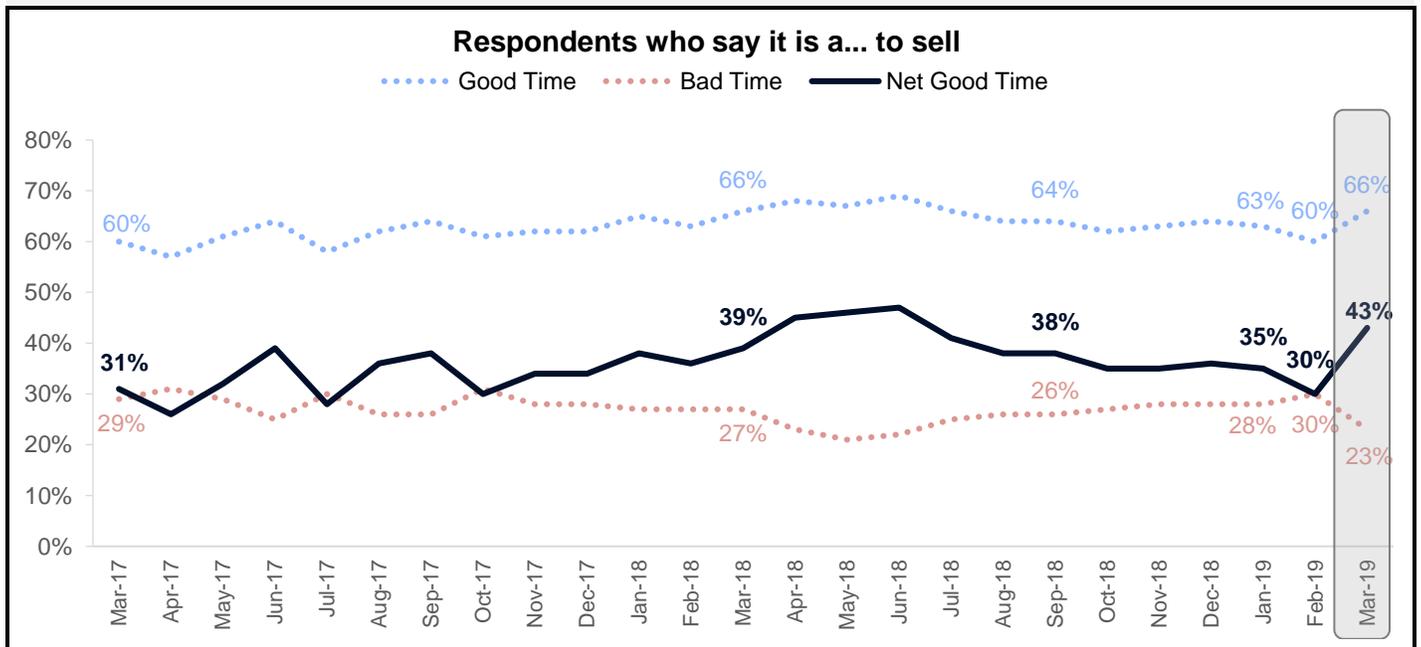
Components of the HPSI – Home Price and Mortgage Rate Expectations

The net share of Americans who say home prices will go up rose 5 percentage points to 38%, continuing the upward trend in 2019.

Respondents who say home prices will... in the next 12 months

········ Go Up   ········ Go Down   —— Net Go Up
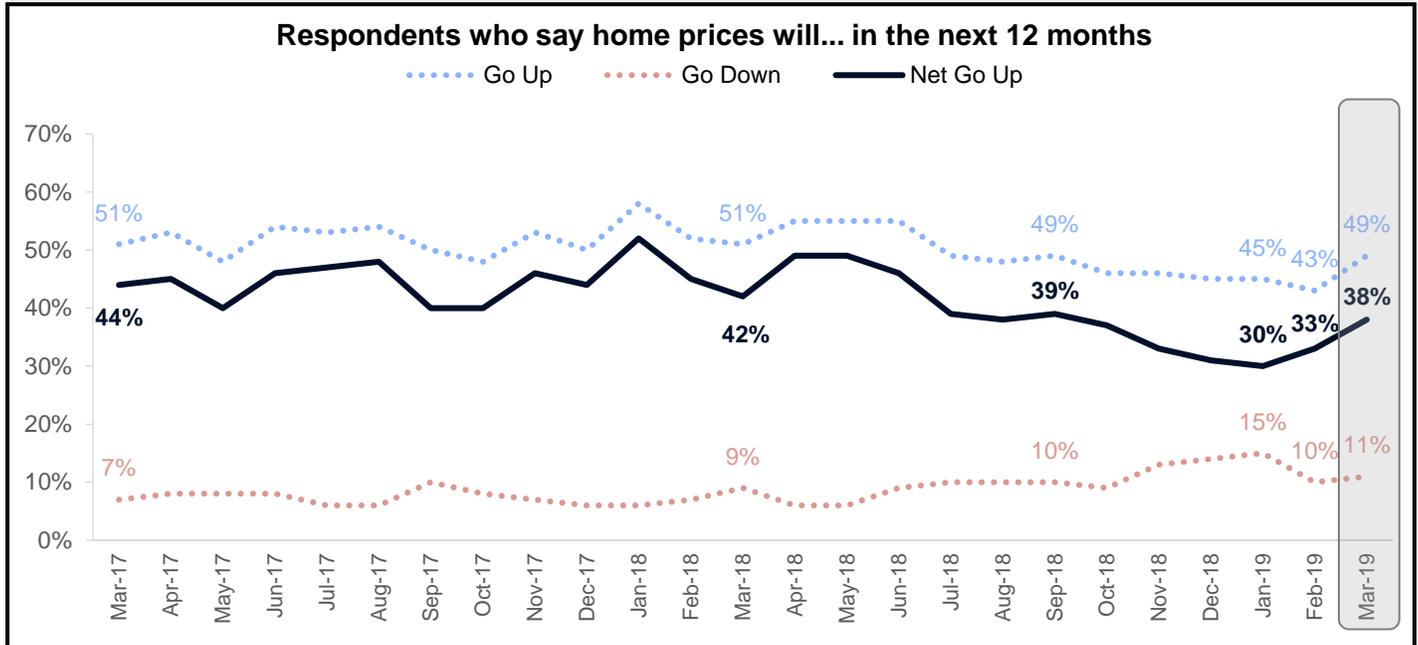
This month, the net share of those who say mortgage rates will go down over the next 12 months rose 7 percentage points to -45%.

Respondents who say mortgage rates will... in the next 12 months

········ Go Down   ········ Go Up   —— Net Go Down
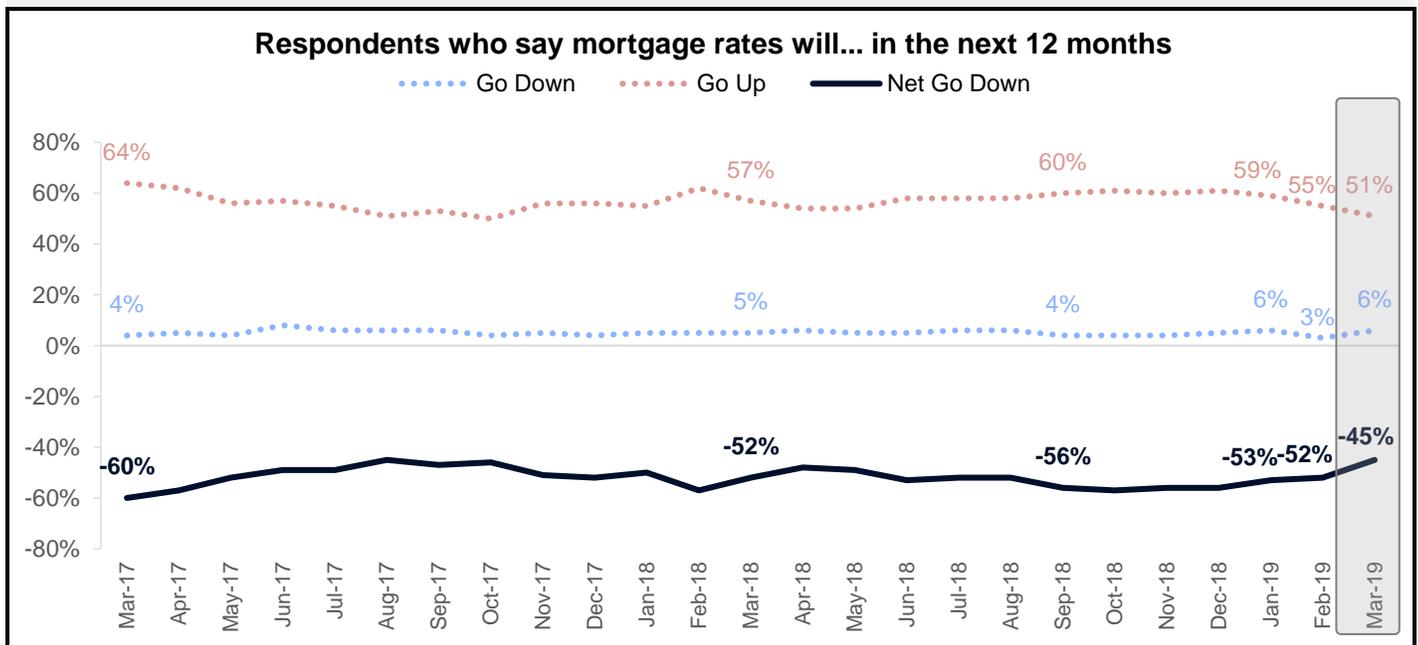
Components of the HPSI – Job Concerns and Household Incomes

The net share of Americans who say they are not concerned about losing their job fell 1 percentage point from last month's survey high to 80%.

Respondents who say they are… about losing their job in the next 12 months

······· Not Concerned   ······· Concerned   ——— Net Not Concerned
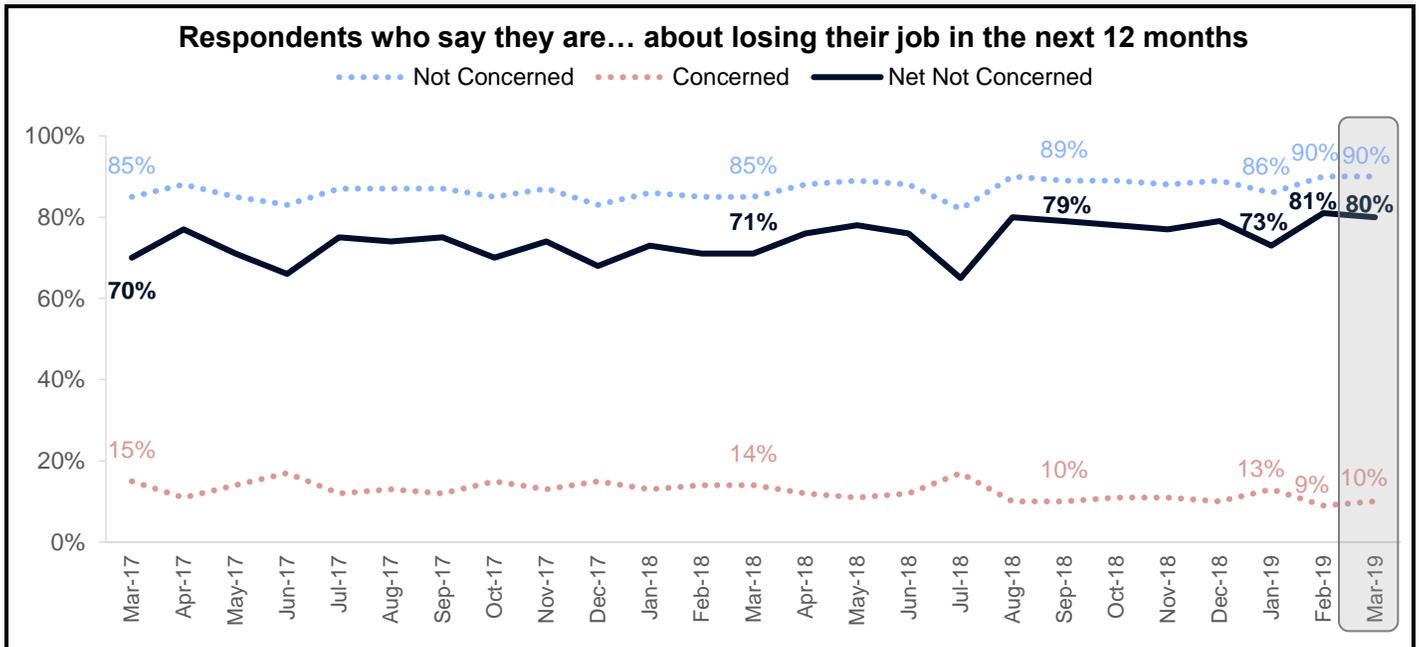

The net share of those who say their household income is significantly higher than it was 12 months ago rose 2 percentage points to 20%.

Respondents who say their household income is… than it was 12 months ago

······· Significantly Higher   ······· Significantly Lower   ——— Net Significantly Higher
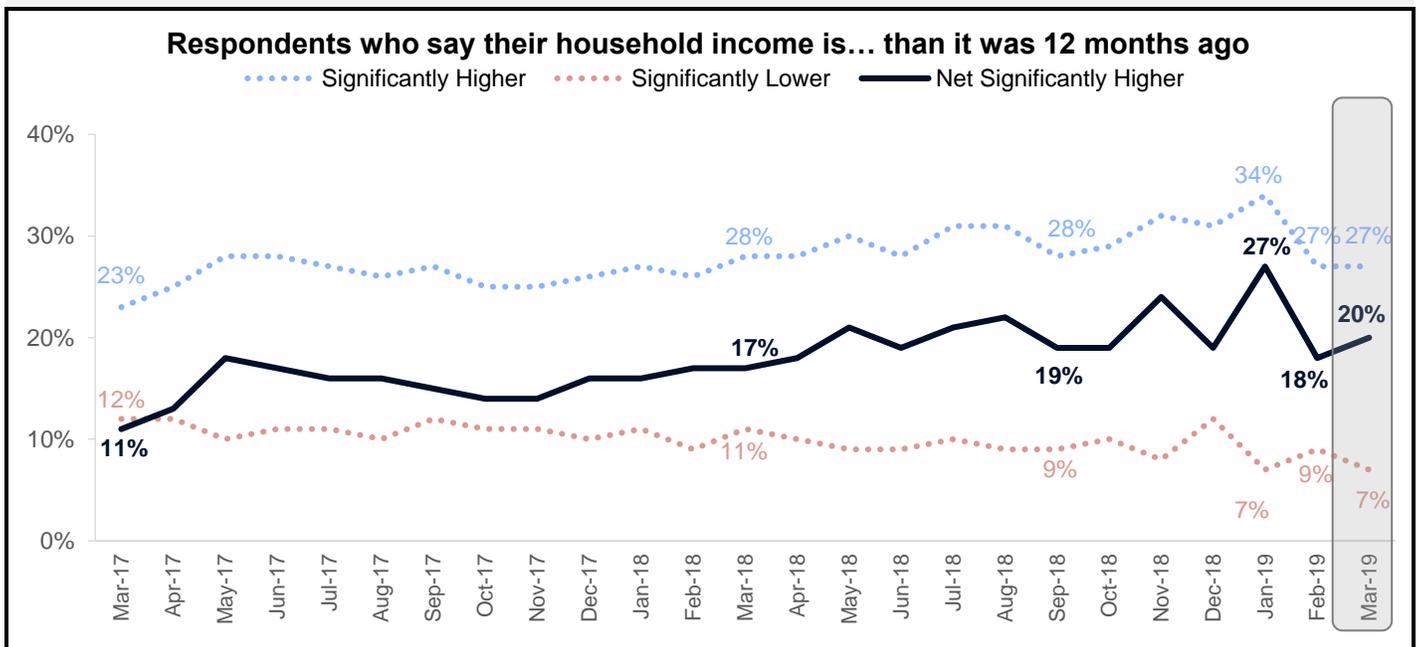
Additional National Housing Survey Key Indicators

On average, Americans expect rental prices to increase 4.1% over the next 12 months, 0.2 percentage points lower than last month. They expect home prices to rise 2.5% over the next 12 months, matching last month.

Average Expected Percent Change Over the Next 12 Months

Legend: — Home Price — Rental Price
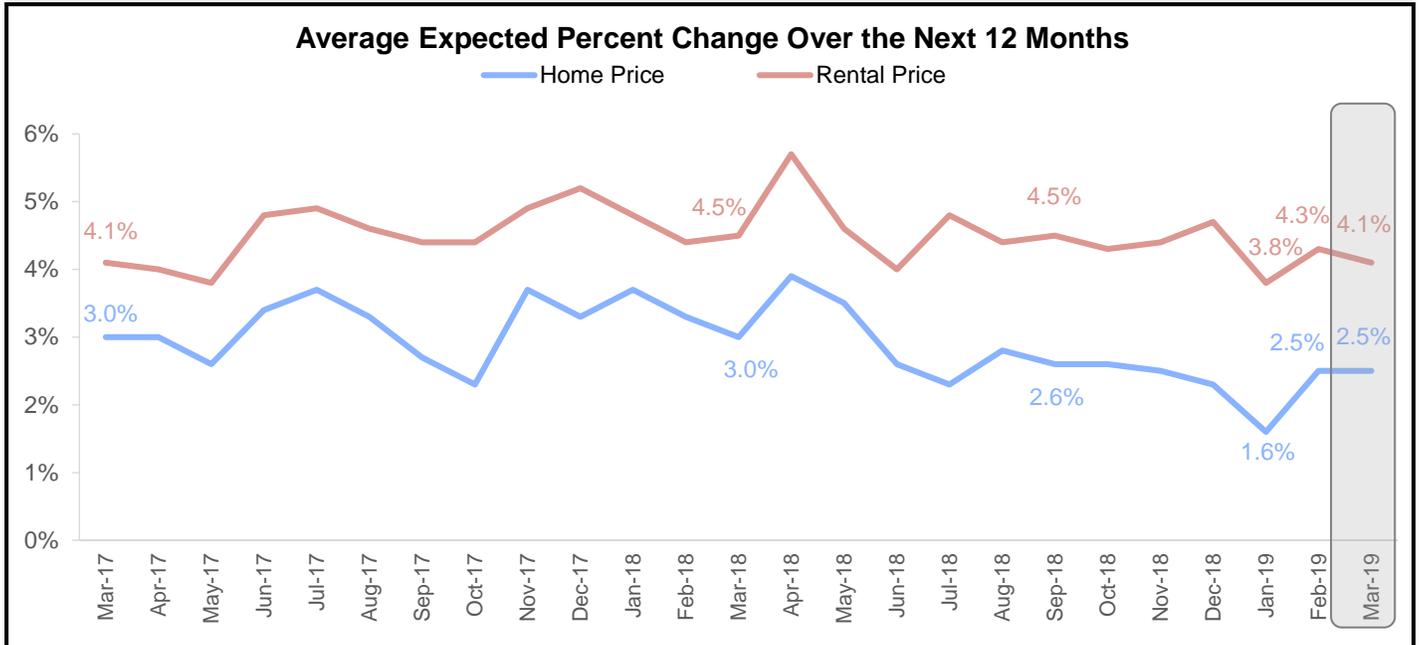
The share of Americans who expect home rental prices to go up rose 3 percentage points to 59%, while the share who expect them to stay the same fell 4 percentage points to a survey low of 31%.

Respondents who say home rental prices will... in the next 12 months

Legend: — Go Up — Go Down ······ Stay the Same
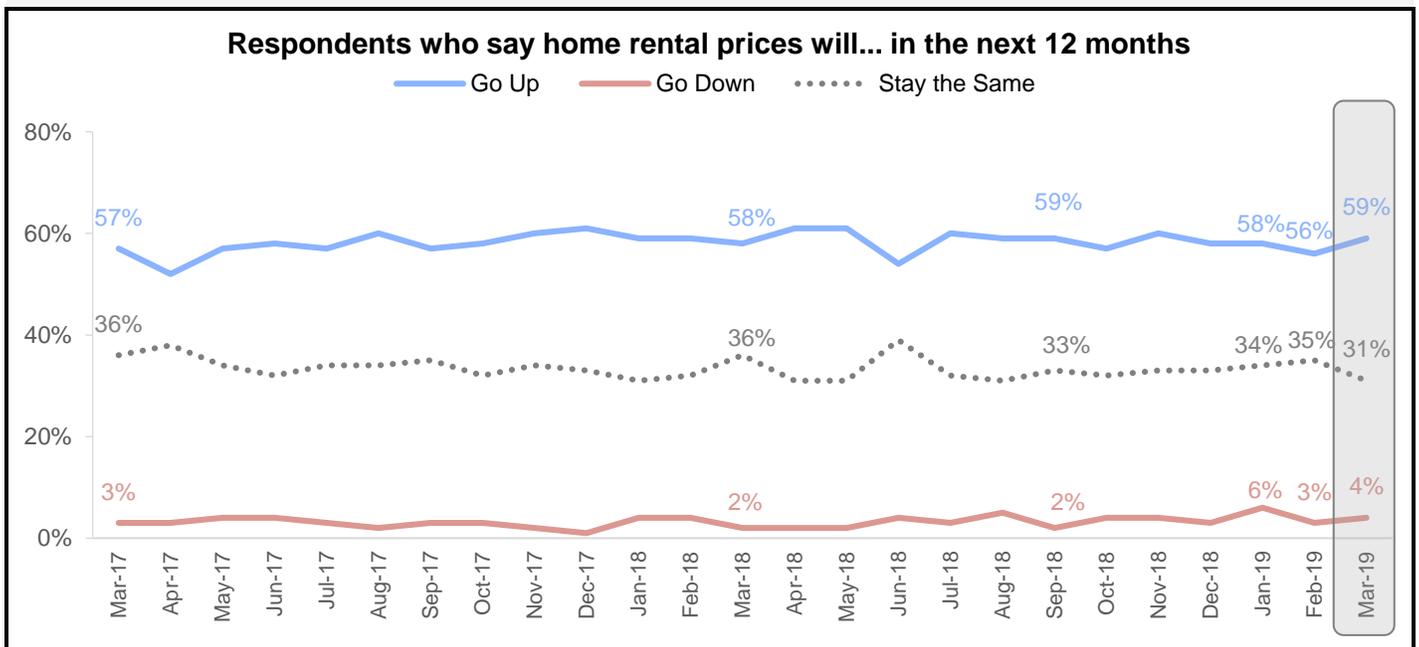
Additional National Housing Survey Key Indicators

The share of Americans who say they would buy if they were going to move rose 4 percentage points to 69%, and the share who say they would rent fell 4 percentage points to 26%.

Respondents who say they would… if they were going to move

— Buy   — Rent

The share of Americans who say getting a mortgage would be easy or difficult remained unchanged from last month, at 58% and 40% respectively.

Respondents who think it would be… to get a home mortgage today
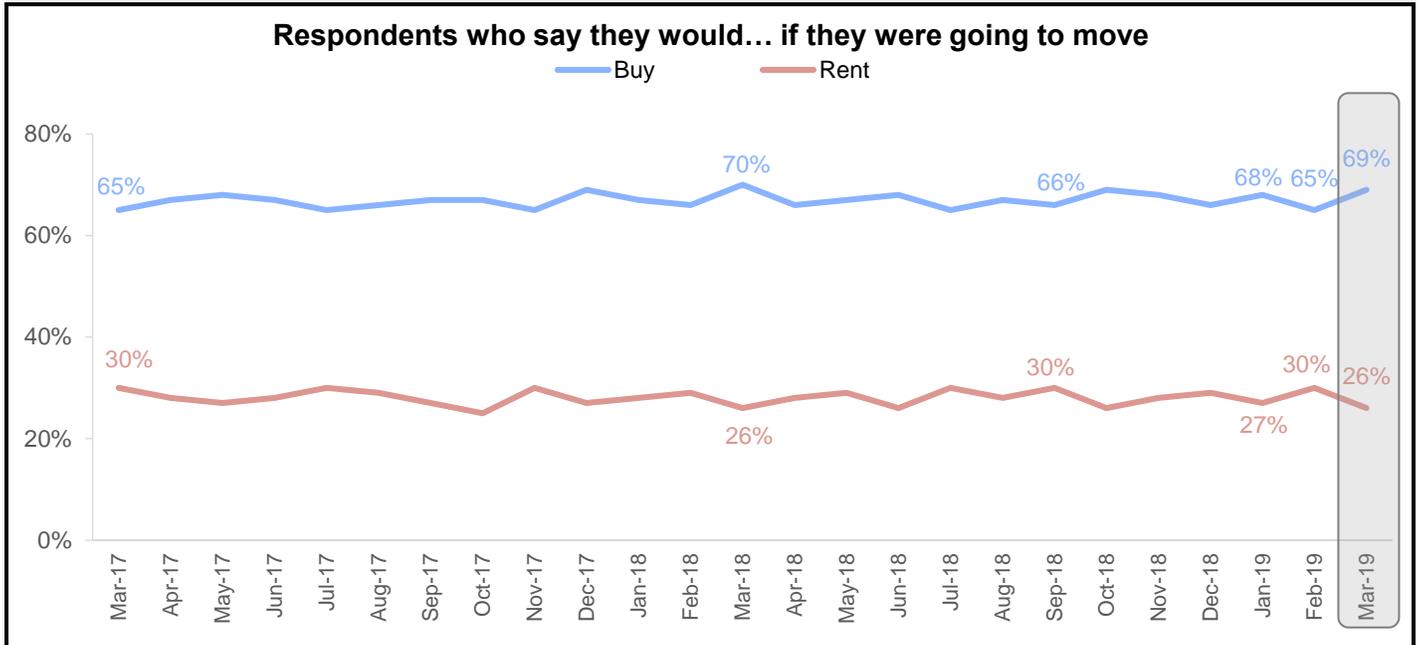
— Easy   — Difficult
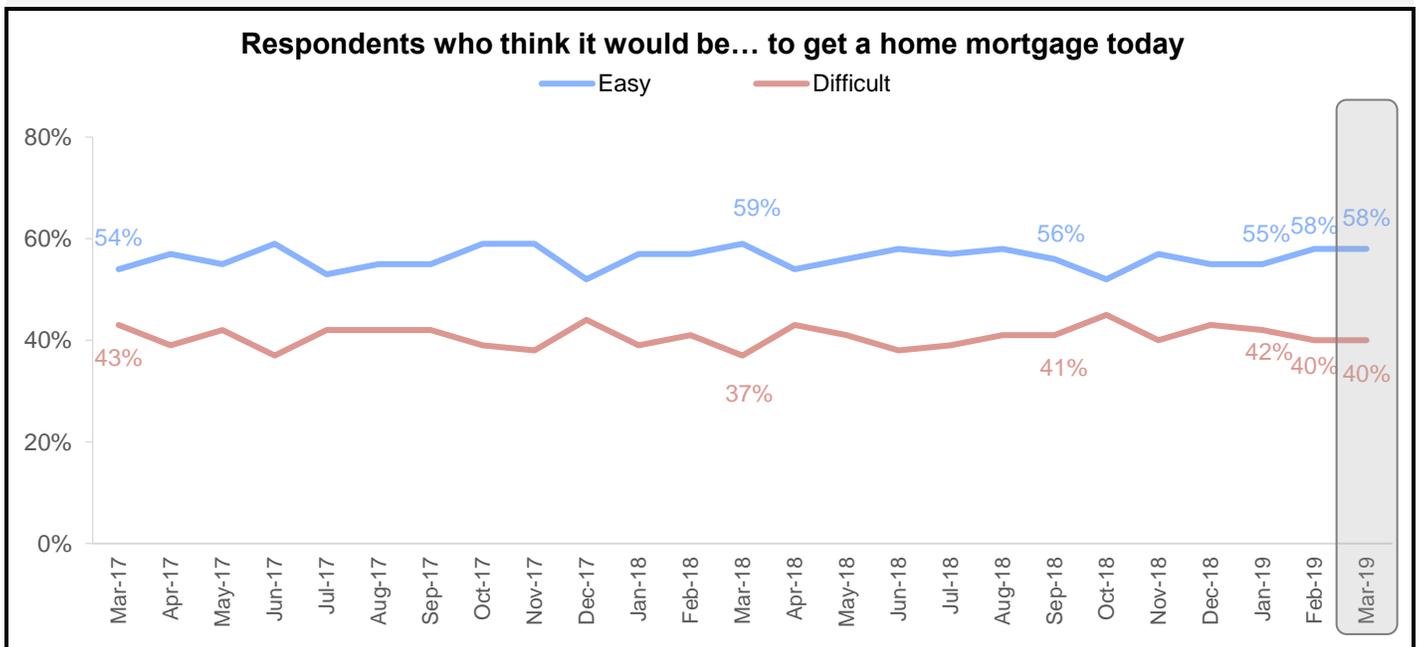
Additional National Housing Survey Key Indicators

The share of Americans who expect their personal financial situations to get better rose 5 percentage points to 50%. The share who expect it to stay the same fell 2 percentage points to 40%, while the share who expect it to get worse fell 2 percentage points to 10%.

Respondents who expect their personal financial situation to… over the next 12 months

— Get Better — Get Worse ⋯⋯ Stay the same
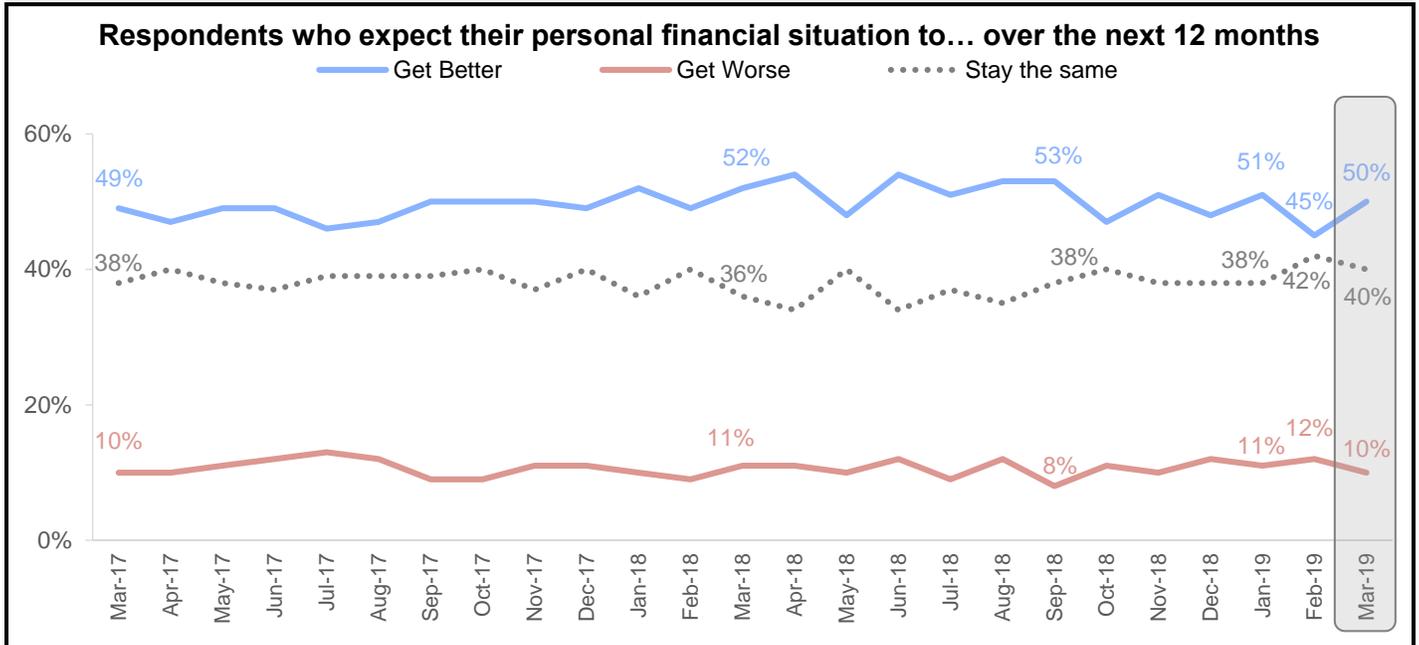
The share of Americans who say the economy is on the right track fell 1 percentage point to 51% while the share who say it is on the wrong track rose 1 percentage point to 39%.

Respondents who say the economy is on the...

— Right Track — Wrong Track
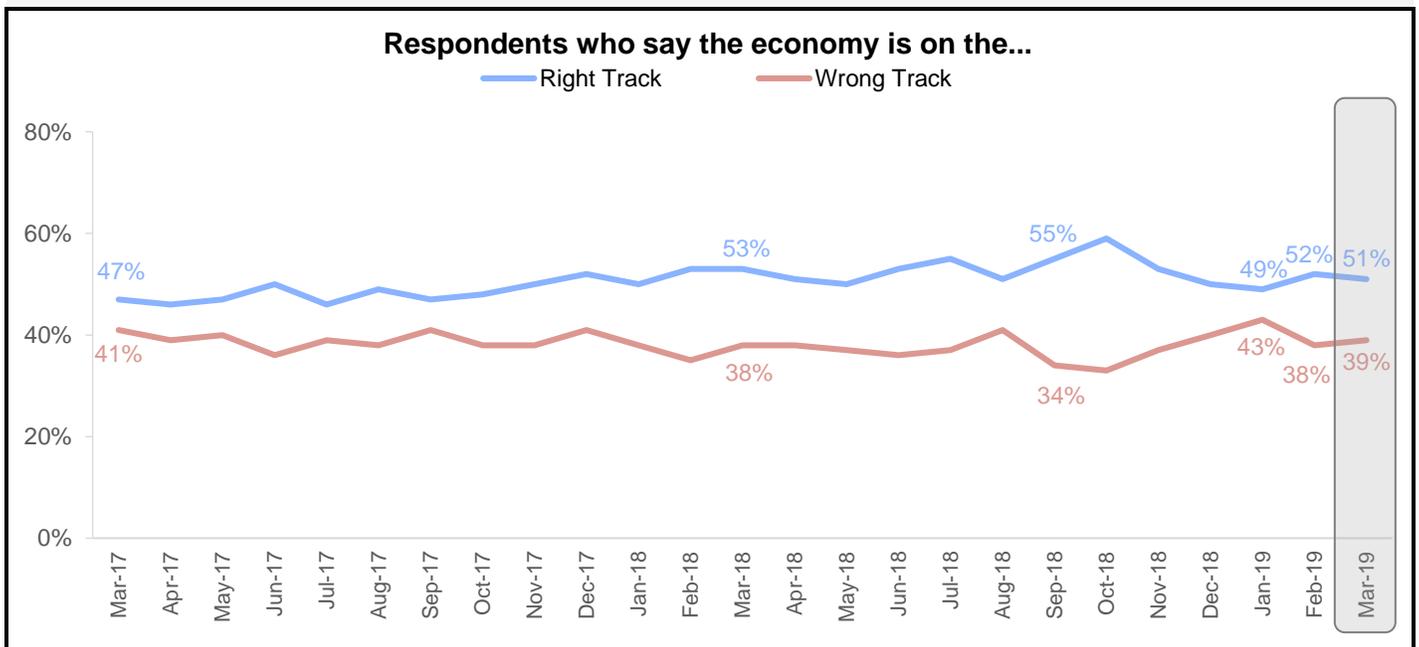
The National Housing Survey®
March 2019
APPENDIX

About the Survey

The National Housing Survey® polled a nationally representative sample of 1,000 household financial decision makers (margin of error ±3.1%) aged 18 and older between March 2, 2019 and March 24, 2019. Most of the data collection occurred during the first two weeks of this period.

Interviews were conducted by PSB, in coordination with Fannie Mae.

The statistics in this release were estimated from sample surveys and are subject to sampling variability as well as nonsampling error, including bias and variance from response, nonreporting, and undercoverage. Averages of expected price changes were calculated after converting responses of "stay the same" to 0% and after excluding outliers, which were defined to be responses that were more than two standard deviations from the means.

How the Home Purchase Sentiment Index (HPSI) is Calculated*	
Net Good Time to **Buy** *Very or Somewhat Good Time To Buy – Very or Somewhat Bad Time To Buy*	Q12
Net Good Time to **Sell** *Very or Somewhat Good Time To Sell – Very or Somewhat Bad Time To Sell*	Q13
Net **Home Prices** Will Go Up (next 12 months) *Home Prices Will Go Up – Home Prices Will Go Down*	Q15
Net **Mortgage Rates** Will Go Down (next 12 months) *Mortgage Rates Will Go Down – Mortgage Rates Will Go Up*	Q20B
Net Confident About Not Losing **Job** (next 12 months) *Not at All or Not Very Concerned about Losing Job – Very or Somewhat Concerned about Losing Job*	Q112B
Net Household **Income** is Significantly Higher (past 12 months) *Income is Significantly Higher – Income is Significantly Lower*	Q116
$$HPSI = \frac{Q12 + Q13 + Q15 + Q20B + Q112B + Q116}{6} + 63.5$$	
* The HPSI calculation includes the addition of a constant of 63.5 in order to set the index's initial value at 60 as of March 2011, in range with the **Index of Consumer Sentiment** and the **Consumer Confidence Index**	

Time Series Data: http://fanniemae.com/resources/file/research/housingsurvey/xls/nhs-monthly-indicator-data-040819.xlsx

HPSI Overview: http://fanniemae.com/resources/file/research/housingsurvey/pdf/hpsi-overview.pdf

HPSI White Paper: http://fanniemae.com/resources/file/research/housingsurvey/pdf/hpsi-whitepaper.pdf

Home Purchase Sentiment Index Over the Past 12 Months

March 2018	88.3
April 2018	91.7
May 2018	92.3
June 2018	90.7
July 2018	86.5
August 2018	88.0
September 2018	87.7
October 2018	85.7
November 2018	86.2
December 2018	83.5
January 2019	84.7
February 2019	84.3
March 2019	**89.8**

Percent of respondents who say it is a good or bad time to buy

	% Good Time to Buy	% Bad Time to Buy	Net % Good Time to Buy
March 2018	62	30	32
April 2018	61	32	29
May 2018	59	31	28
June 2018	59	31	28
July 2018	58	34	24
August 2018	57	36	21
September 2018	58	32	26
October 2018	55	34	21
November 2018	57	34	23
December 2018	52	41	11
January 2019	53	38	15
February 2019	53	38	15
March 2019	**56**	**34**	**22**

Percent of respondents who say it is a good or bad time to sell

	% Good Time to Sell	% Bad Time to Sell	Net % Good Time to Sell
March 2018	66	27	39
April 2018	68	23	45
May 2018	67	21	46
June 2018	69	22	47
July 2018	66	25	41
August 2018	64	26	38
September 2018	64	26	38
October 2018	62	27	35
November 2018	63	28	35
December 2018	64	28	36
January 2019	63	28	35
February 2019	60	30	30
March 2019	**66**	**23**	**43**

Percent of respondents who say home prices will go up, go down, or stay the same in the next 12 months

	% Go Up	% Go Down	Net % Prices Will Go Up
March 2018	51	9	42
April 2018	55	6	49
May 2018	55	6	49
June 2018	55	9	46
July 2018	49	10	39
August 2018	48	10	38
September 2018	49	10	39
October 2018	46	9	37
November 2018	46	13	33
December 2018	45	14	31
January 2019	45	15	30
February 2019	43	10	33
March 2019	**49**	**11**	**38**

Percent of respondents who say mortgage rates will go up, go down, or stay the same in the next 12 months			
	% Go Up	% Go Down	Net % Rates Will Go Down
March 2018	57	5	-52
April 2018	54	6	-48
May 2018	54	5	-49
June 2018	58	5	-53
July 2018	58	6	-52
August 2018	58	6	-52
September 2018	60	4	-56
October 2018	61	4	-57
November 2018	60	4	-56
December 2018	61	5	-56
January 2019	59	6	-53
February 2019	55	3	-52
March 2019	**51**	**6**	**-45**

Percent of respondents who say are concerned or not concerned about losing their job			
	% Concerned	% Not Concerned	Net % Not Concerned
March 2018	14	85	71
April 2018	12	88	76
May 2018	11	89	78
June 2018	12	88	76
July 2018	17	82	65
August 2018	10	90	80
September 2018	10	89	79
October 2018	11	89	78
November 2018	11	88	77
December 2018	10	89	79
January 2019	13	86	73
February 2019	9	90	81
March 2019	**10**	**90**	**80**

Percent of respondents who say their household income is higher, lower, or about the same compared to 12 months ago			
	% Significantly Higher	% Significantly Lower	Net % Higher
March 2018	28	11	17
April 2018	28	10	18
May 2018	30	9	21
June 2018	28	9	19
July 2018	31	10	21
August 2018	31	9	22
September 2018	28	9	19
October 2018	29	10	19
November 2018	32	8	24
December 2018	31	12	19
January 2019	34	7	27
February 2019	27	9	18
March 2019	**27**	**7**	**20**

Average home/rental price change expectation		
	% Home Price Change	% Rental Price Change
March 2018	3.0	4.5
April 2018	3.9	5.7
May 2018	3.5	4.6
June 2018	2.6	4.0
July 2018	2.3	4.8
August 2018	2.8	4.4
September 2018	2.6	4.5
October 2018	2.6	4.3
November 2018	2.5	4.4
December 2018	2.3	4.7
January 2019	1.6	3.8
February 2019	2.5	4.3
March 2019	**2.5**	**4.1**

Percent of respondents who say home rental prices will go up, go down, or stay the same in the next 12 months			
	% Go Up	% Go Down	% Stay the Same
March 2018	58	2	36
April 2018	61	2	31
May 2018	61	2	31
June 2018	54	4	39
July 2018	60	3	32
August 2018	59	5	31
September 2018	59	2	33
October 2018	57	4	32
November 2018	60	4	33
December 2018	58	3	33
January 2019	58	6	34
February 2019	56	3	35
March 2019	**59**	**4**	**31**

Percent of respondents who say they would buy or rent if they were going to move		
	% Buy	% Rent
March 2018	70	26
April 2018	66	28
May 2018	67	29
June 2018	68	26
July 2018	65	30
August 2018	67	28
September 2018	66	30
October 2018	69	26
November 2018	68	28
December 2018	66	29
January 2019	68	27
February 2019	65	30
March 2019	**69**	**26**

Percent of respondents who think it would be difficult or easy for them to get a home mortgage today		
	% Difficult	**% Easy**
March 2018	37	59
April 2018	43	54
May 2018	41	56
June 2018	38	58
July 2018	39	57
August 2018	41	58
September 2018	41	56
October 2018	45	52
November 2018	40	57
December 2018	43	55
January 2019	42	55
February 2019	40	58
March 2019	**40**	**58**

Percent of respondents who expect their personal financial situation to get better, get worse, or stay the same in the next 12 months			
	% Get Better	**% Get Worse**	**% Stay the Same**
March 2018	52	11	36
April 2018	54	11	34
May 2018	48	10	40
June 2018	54	12	34
July 2018	51	9	37
August 2018	53	12	35
September 2018	53	8	38
October 2018	47	11	40
November 2018	51	10	38
December 2018	48	12	38
January 2019	51	11	38
February 2019	45	12	42
March 2019	**50**	**10**	**40**

Percent of respondents who think the economy is on the right track or the wrong track		
	% Right Track	% Wrong Track
March 2018	53	38
April 2018	51	38
May 2018	50	37
June 2018	53	36
July 2018	55	37
August 2018	51	41
September 2018	55	34
October 2018	59	33
November 2018	53	37
December 2018	50	40
January 2019	49	43
February 2019	52	38
March 2019	**51**	**39**