# November 2018 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 0.5 points in November to 86.2, increasing slightly after declining the past two months.



Home Purchase Sentiment Index
(HPSI)
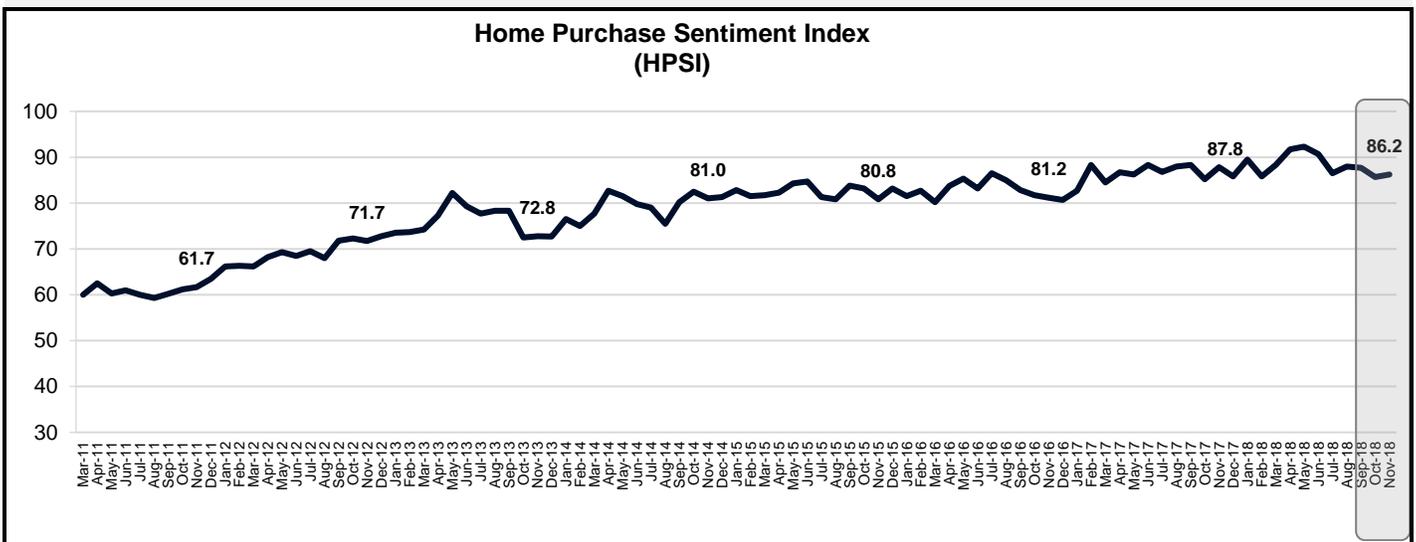
## Components of the HPSI

The increase in the HPSI can be attributed to increases in three of the components: Household Income Is Significantly Higher (+5) Good Time To Buy (+2), and Mortgage Rates Will Go Down (+1). Home Prices Will Go Up (-4), and Confidence About Not Losing Job (-1) decreased, while Good Time To Sell remained the same.

| | November 2018* | Change Since Last Month | Change Since Last Year |
|---|---|---|---|
| **November 2018 HPSI** | **86.2** | **+0.5** | **-1.6** |
| Good Time To **Buy** | 23 | +2 | -6 |
| Good Time To **Sell** | 35 | 0 | +1 |
| **Home Prices** Will Go Up (next 12 months) | 33 | -4 | -13 |
| **Mortgage Rates** Will Go Down (next 12 months) | -56 | +1 | -5 |
| Confidence About Not Losing **Job** (next 12 months) | 77 | -1 | +3 |
| Household **Income** Is Significantly Higher (past 12 months) | 24 | +5 | +10 |
| * Net percentages of the component questions used to calculate HPSI, e.g. (Percent Good Time to Buy – Percent Bad Time to Buy) = 23 | | | |

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

The net share of Americans who say it is a good time to buy rose 2 percentage points from last month to 23%.

### Respondents who say it is a... to buy

······· Good Time   ······· Bad Time   —— Net Good Time
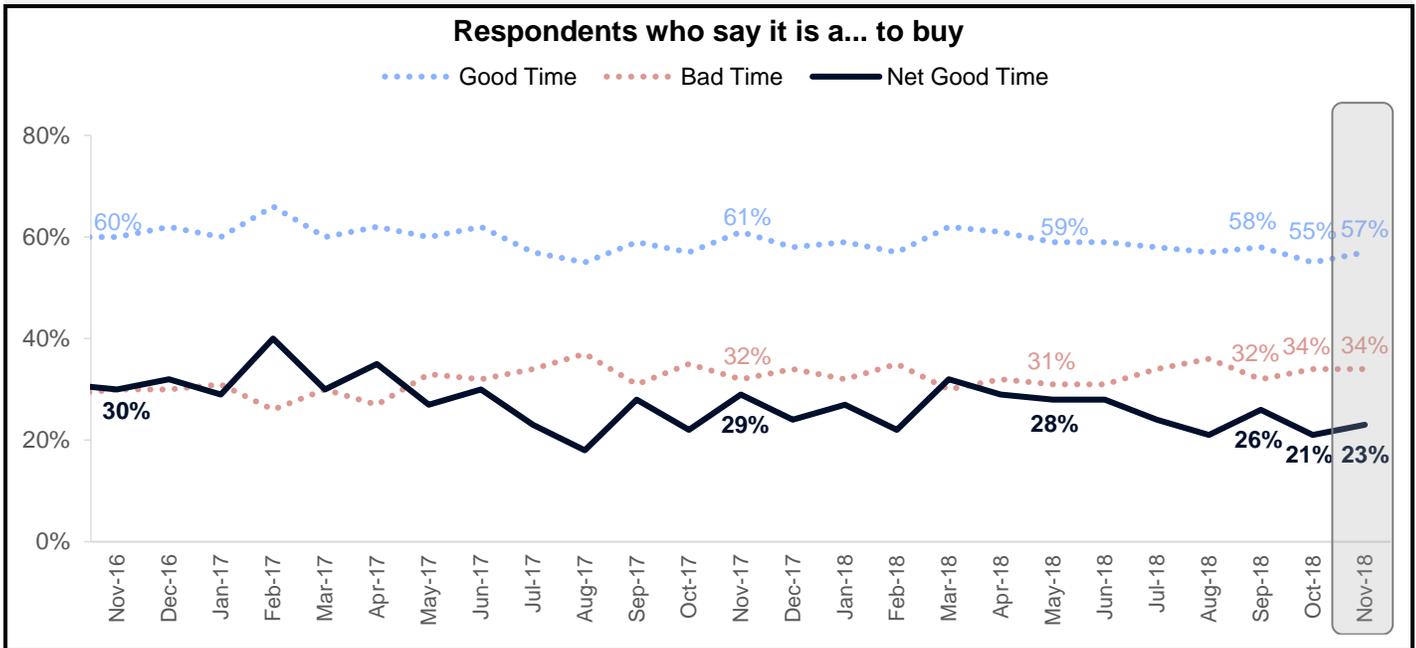
The net percentage of those who say it is a good time to sell remained at 35% in November.

### Respondents who say it is a... to sell

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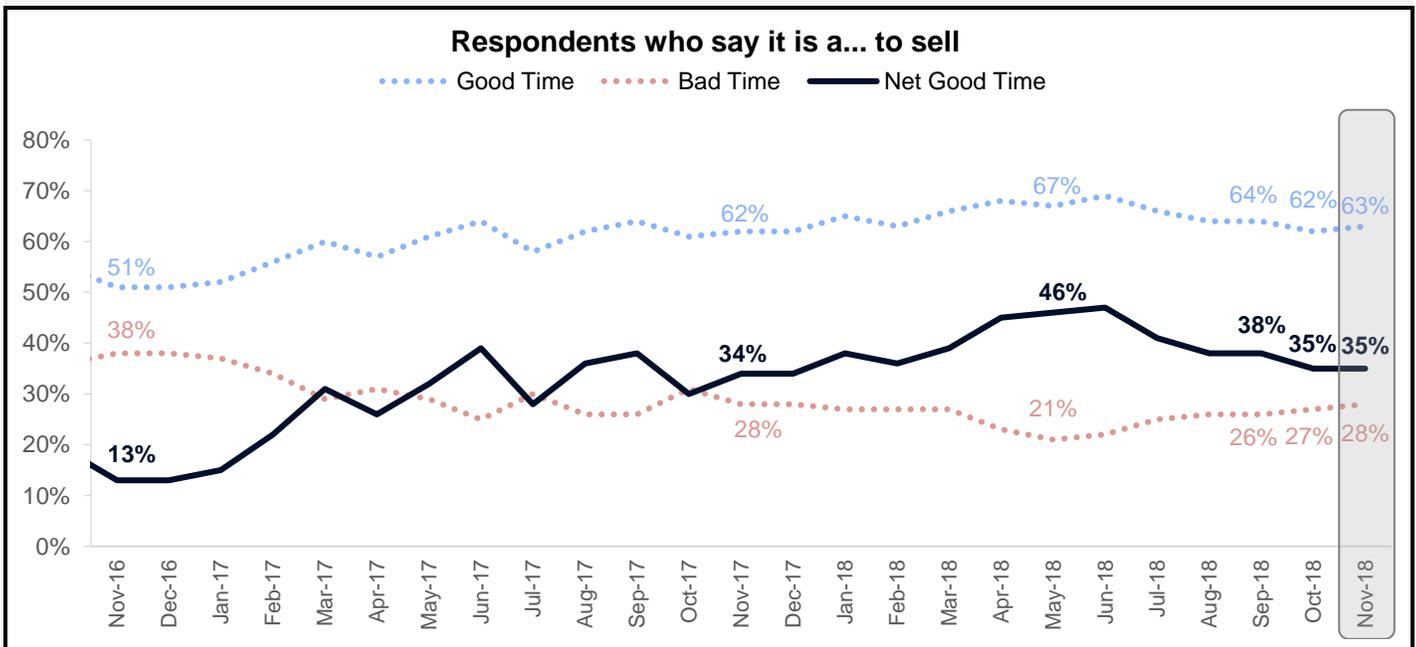
## Components of the HPSI – Home Price and Mortgage Rate Expectations

The net share of Americans who say home prices will go up fell 4 percentage points to 33%, declining for the second consecutive month.

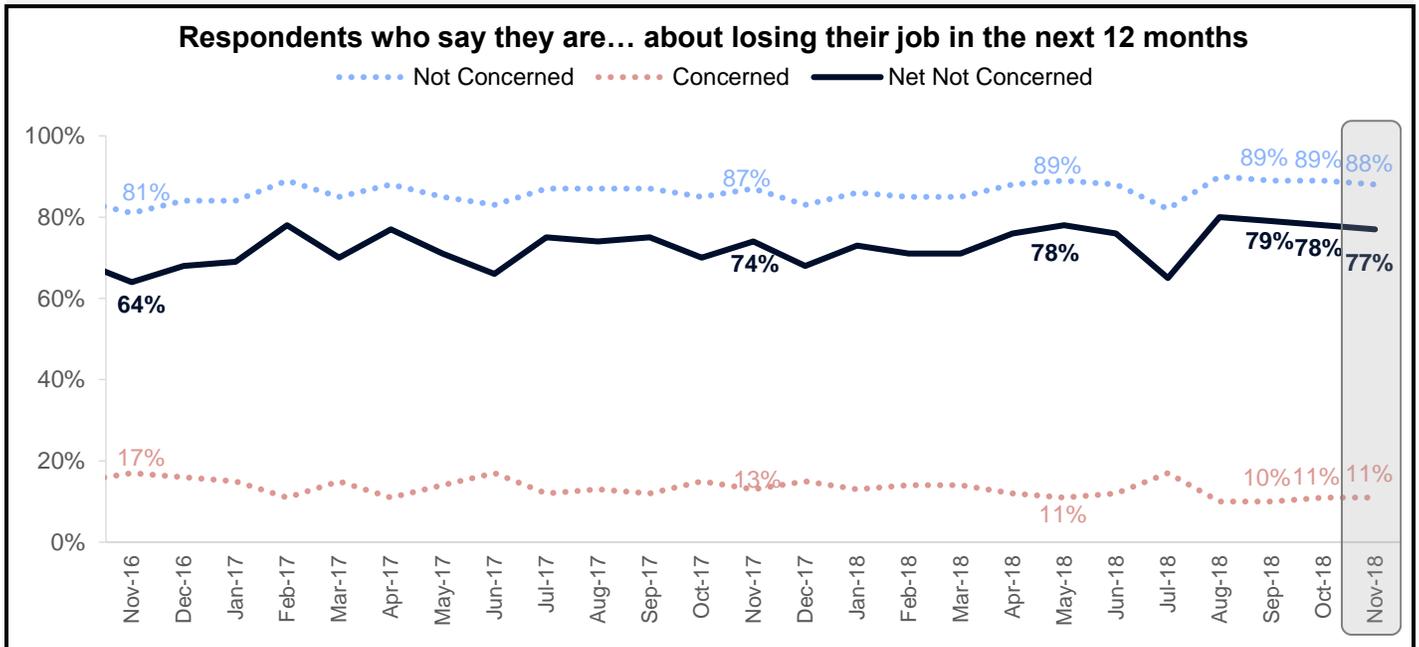**Respondents who say home prices will... in the next 12 months**
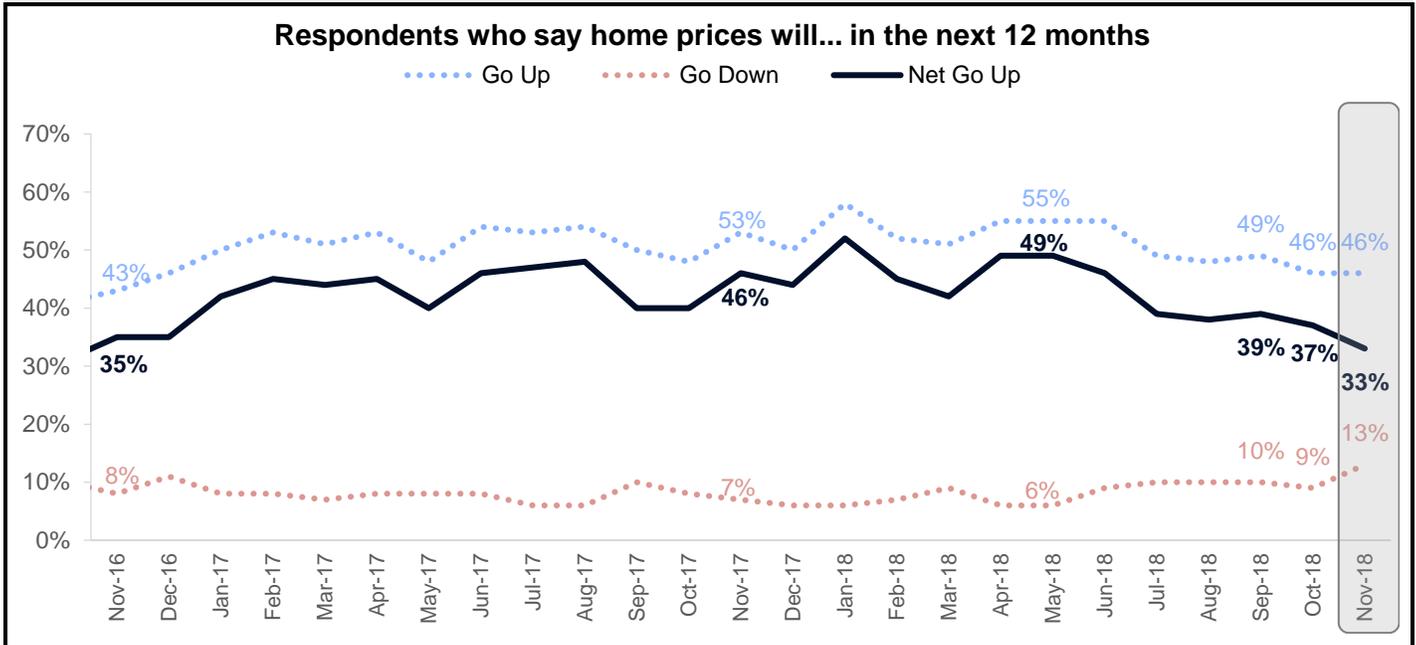


The net share of those who say mortgage rates will go down over the next 12 months rose 1 percentage point to -56%.

**Respondents who say mortgage rates will... in the next 12 months**
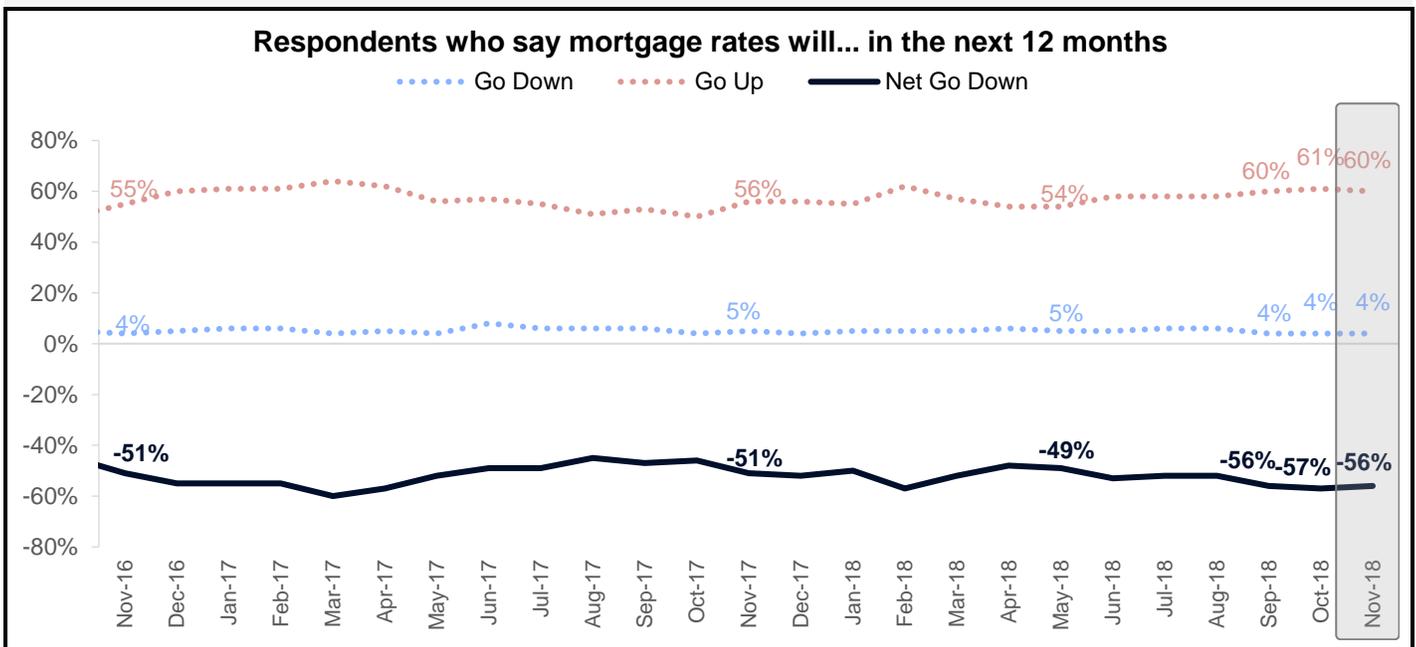
## Components of the HPSI – Job Concerns and Household Incomes

The net share of Americans who say they are not concerned about losing their jobs fell 1 percentage point in November point to 77%.

### 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 5 percentage points to a new survey high of 24%.

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

······· Significantly Higher    ······· Significantly Lower    ——— Net Significantly Higher
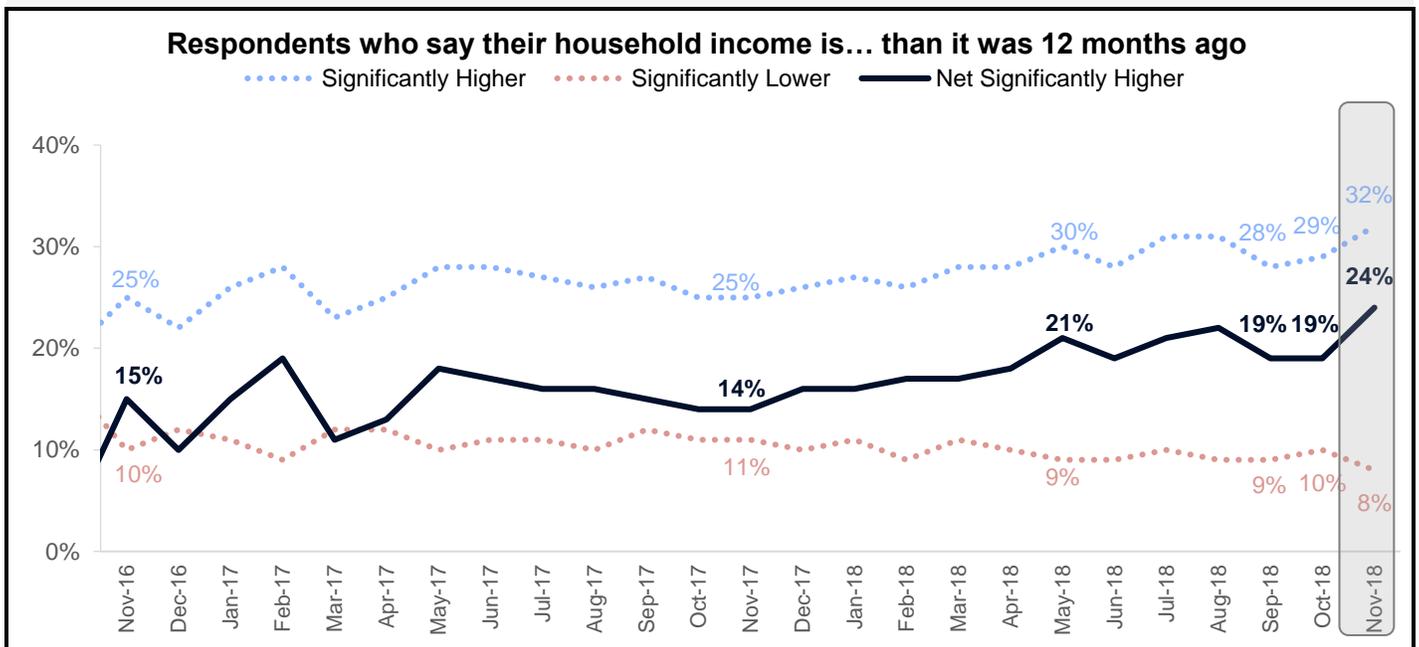
# Additional National Housing Survey Key Indicators
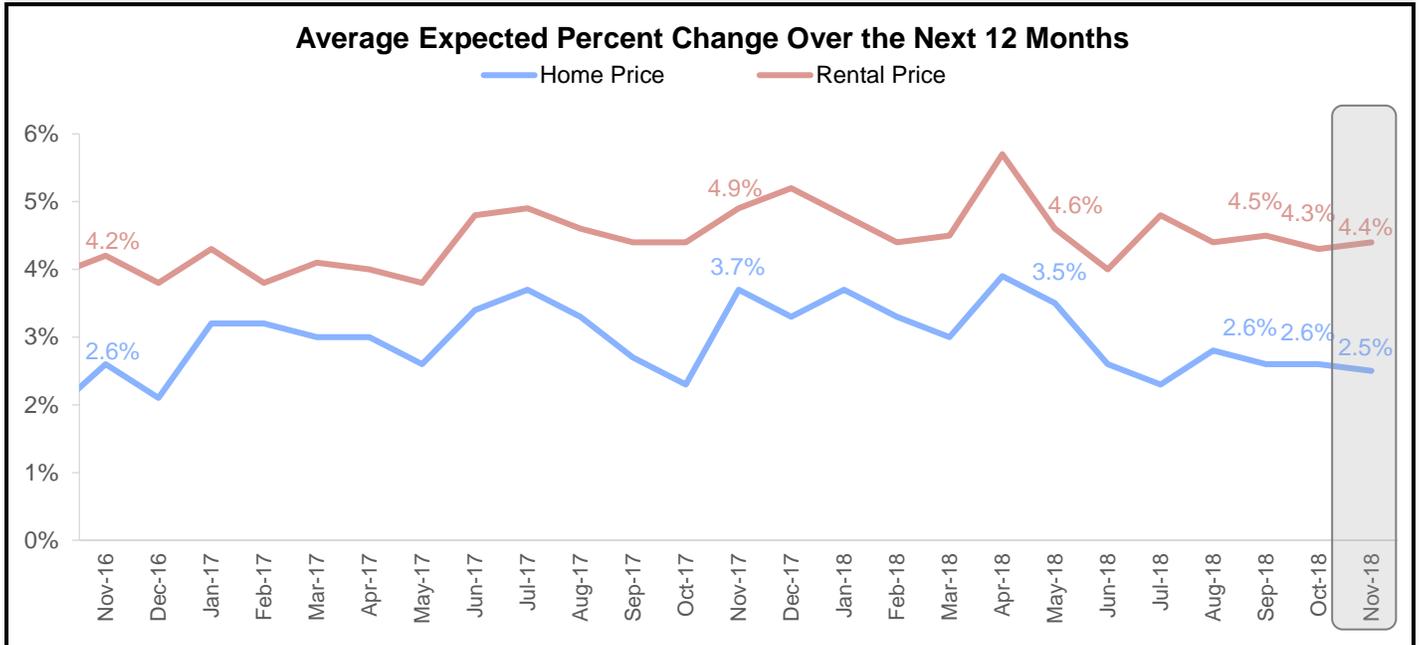
On average, Americans expect rental prices to increase 4.4% over the next 12 months, 0.1 percentage points higher than last month. They expect home prices to rise 2.5% over the next 12 months, a 0.1 percentage point decline from last month.

**Average Expected Percent Change Over the Next 12 Months**

Home Price — Rental Price

The share of Americans who expect home rental prices to go up increased three percentage points to 60%, while the share who expect them to stay the same rose one percentage point to 33%.

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

Go Up — Go Down ⋯ Stay the Same
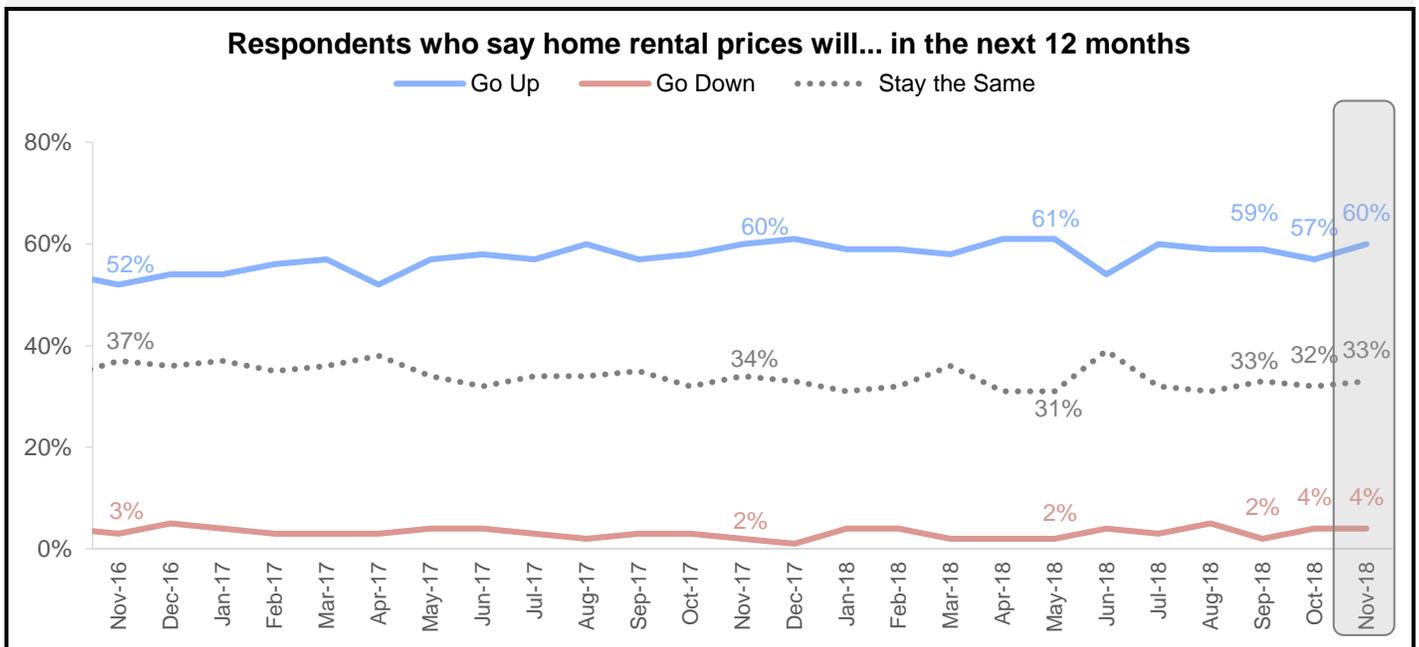
# Additional National Housing Survey Key Indicators

The share of Americans who say they would buy if they were going to move fell one percentage point to 68%, and the share who say they would rent rose two percentage points to 28%.

## 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 rose 5 percentage points to 57%, while the share who say it would be difficult fell 5 percentage points to 40%.

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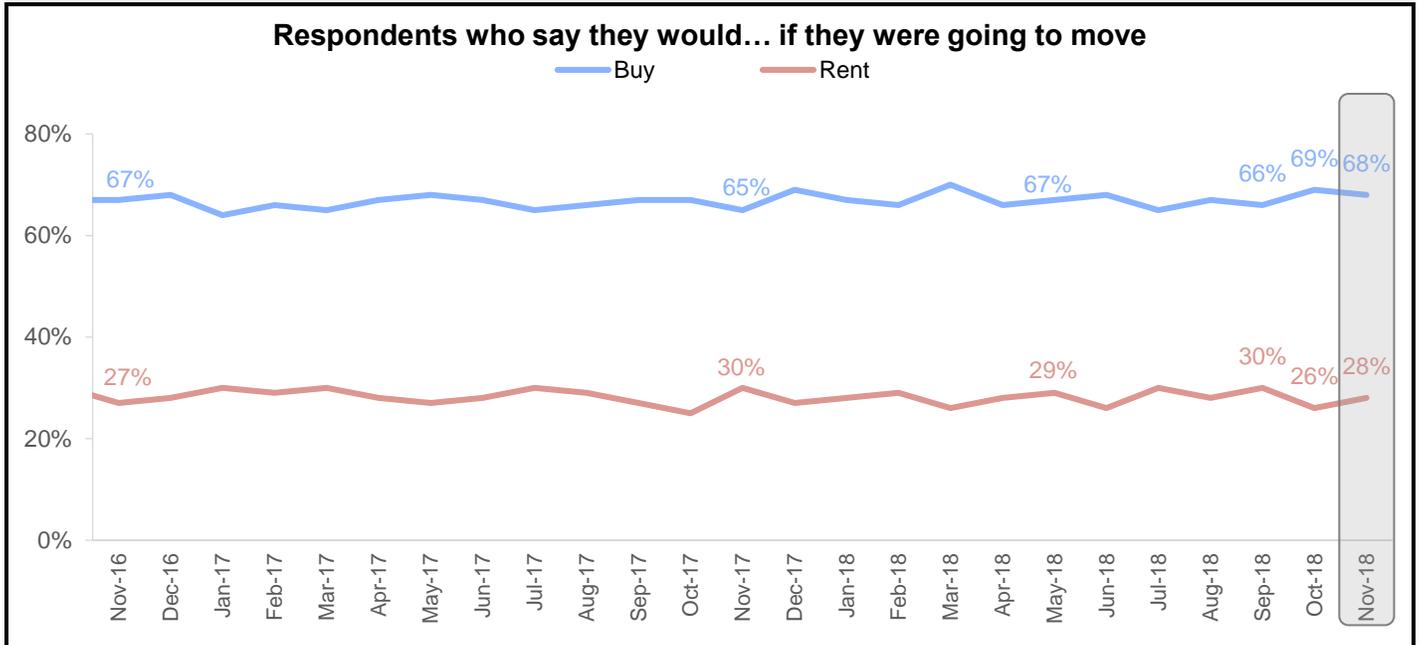
— Easy    — Difficult
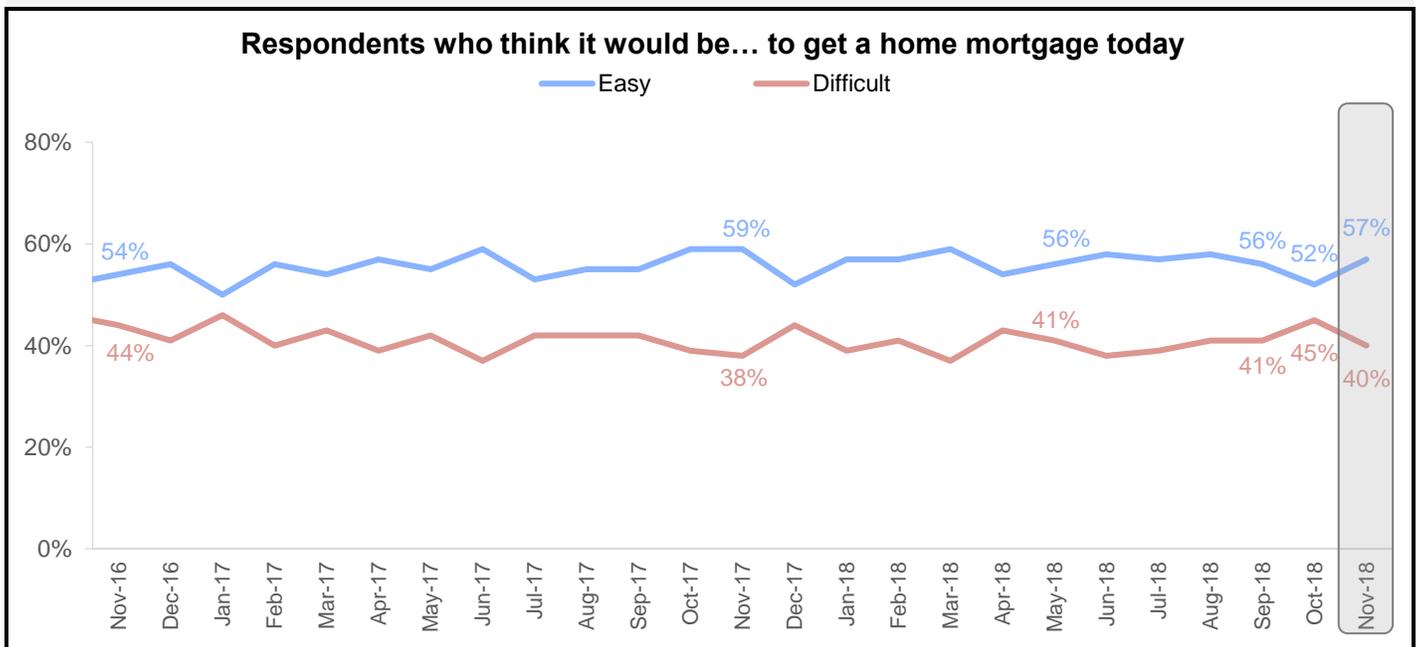
# Additional National Housing Survey Key Indicators

The share of Americans who expect their personal financial situations to get better rose 4 percentage points to 51% in November. The share who expect it to stay the same fell 2 percentage points to 38%, while the share who expect it to get worse fell one percentage point to 10%.

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

Get Better ▬▬ Get Worse ▬▬ Stay the same ••••••
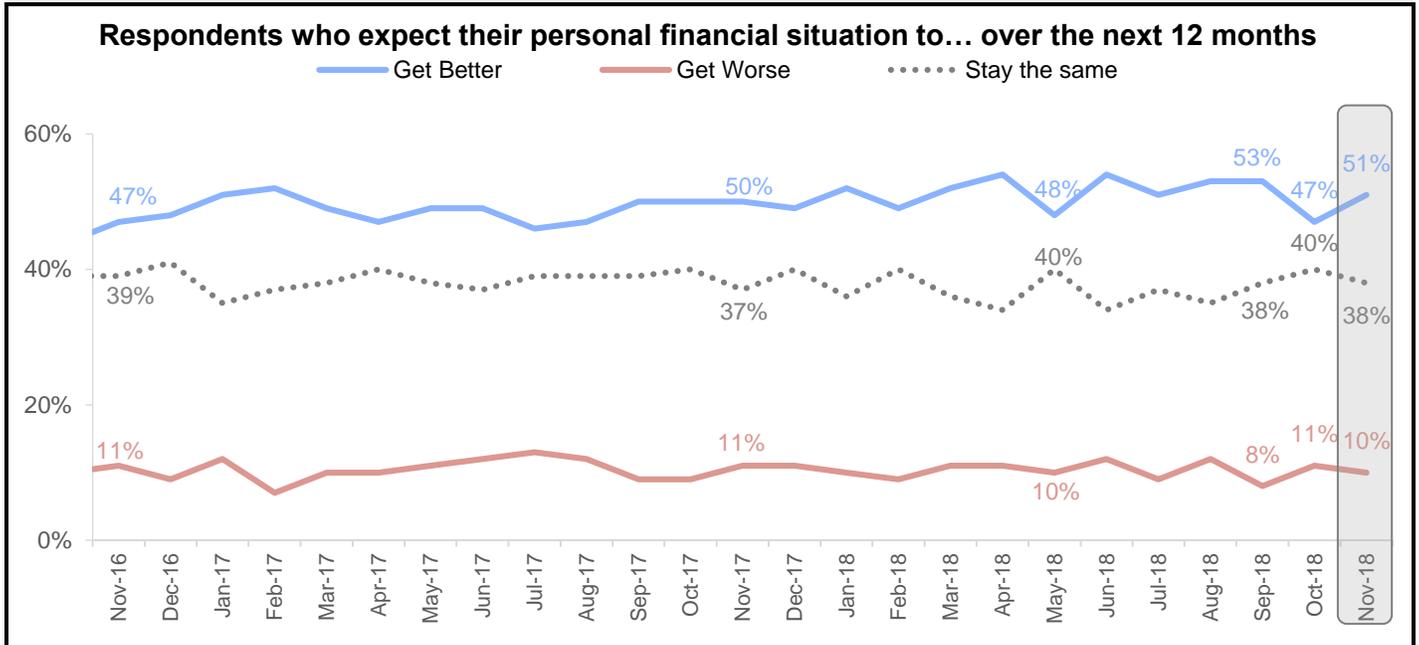


The share of Americans who say the economy is on the right track fell 6 percentage points to 53%. Additionally, the share who say it is on the wrong track rose 4 percentage points to 37%.

**Respondents who say the economy is on the...**

Right Track ▬▬ Wrong Track ▬▬
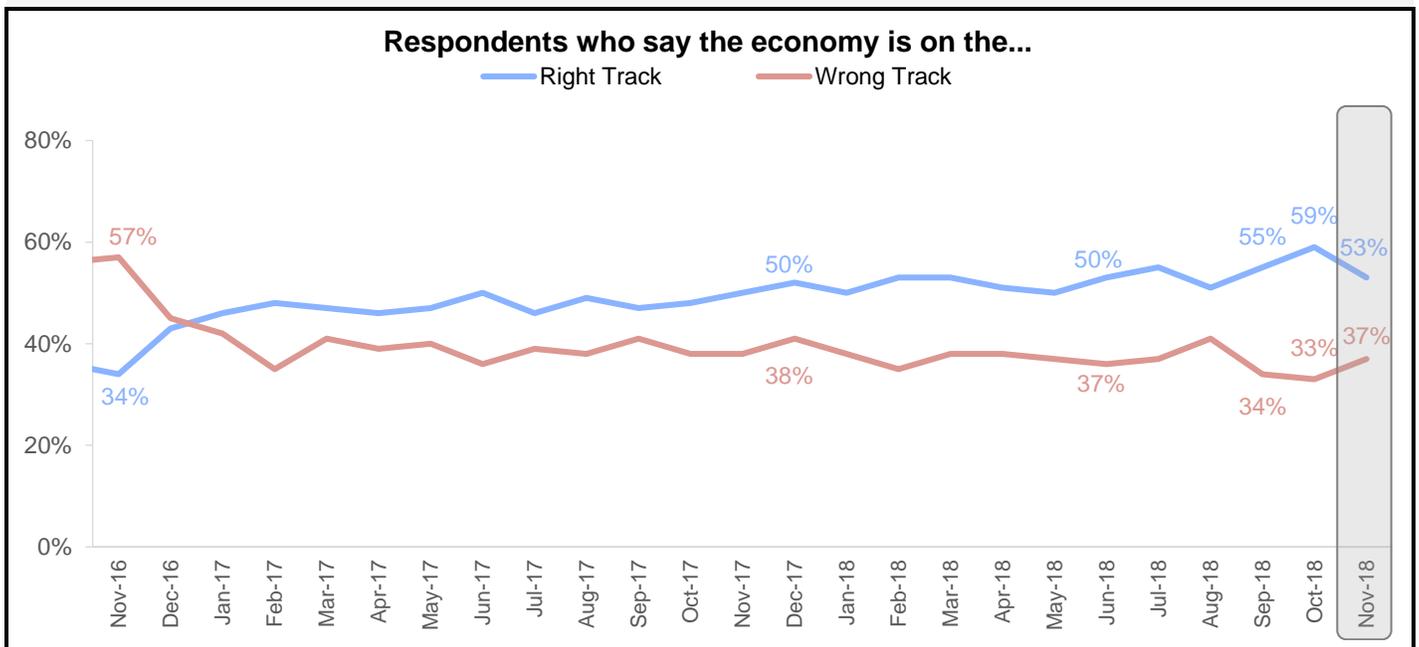
# The National Housing Survey®
## November 2018
## APPENDIX

### About the Survey

The National Housing Survey® polled a nationally representative sample of 1,001 household financial decision makers (margin of error ±3.1%) aged 18 and older between November 1, 2018 and November 26, 2018. 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**<br>*Very or Somewhat Good Time To Buy – Very or Somewhat Bad Time To Buy* | Q12 |
| Net Good Time to **Sell**<br>*Very or Somewhat Good Time To Sell – Very or Somewhat Bad Time To Sell* | Q13 |
| Net **Home Prices** Will Go Up (next 12 months)<br>*Home Prices Will Go Up – Home Prices Will Go Down* | Q15 |
| Net **Mortgage Rates** Will Go Down (next 12 months)<br>*Mortgage Rates Will Go Down – Mortgage Rates Will Go Up* | Q20B |
| Net Confident About Not Losing **Job** (next 12 months)<br>*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)<br>*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-110718.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

| | |
|---|---|
| November 2017 | 87.8 |
| December 2017 | 85.8 |
| January 2018 | 89.5 |
| February 2018 | 85.8 |
| 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** |

## 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 |
|---|---|---|---|
| November 2017 | 61 | 32 | 29 |
| December 2017 | 58 | 34 | 24 |
| January 2018 | 59 | 32 | 27 |
| February 2018 | 57 | 35 | 22 |
| 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** |

## 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 |
|---|---|---|---|
| November 2017 | 53 | 7 | 46 |
| December 2017 | 50 | 6 | 44 |
| January 2018 | 58 | 6 | 52 |
| February 2018 | 52 | 7 | 45 |
| 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** |

## 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 |
|---|---|---|---|
| November 2017 | 56 | 5 | -51 |
| December 2017 | 56 | 4 | -52 |
| January 2018 | 55 | 5 | -50 |
| February 2018 | 62 | 5 | -57 |
| 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** |

## Percent of respondents who say are concerned or not concerned about losing their job

|  | % Concerned | % Not Concerned | Net % Not Concerned |
|---|---|---|---|
| November 2017 | 13 | 87 | 74 |
| December 2017 | 15 | 83 | 68 |
| January 2018 | 13 | 86 | 73 |
| February 2018 | 14 | 85 | 71 |
| 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** |

## 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 |
|---|---|---|---|
| November 2017 | 25 | 11 | 14 |
| December 2017 | 26 | 10 | 16 |
| January 2018 | 27 | 11 | 16 |
| February 2018 | 26 | 9 | 17 |
| 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** |

## Average home/rental price change expectation

| | % Home Price Change | % Rental Price Change |
|---|---|---|
| November 2017 | 3.7 | 4.9 |
| December 2017 | 3.3 | 5.2 |
| January 2018 | 3.7 | 4.8 |
| February 2018 | 3.3 | 4.4 |
| 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** |

## 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 |
|---|---|---|---|
| November 2017 | 60 | 2 | 34 |
| December 2017 | 61 | 1 | 33 |
| January 2018 | 59 | 4 | 31 |
| February 2018 | 59 | 4 | 32 |
| 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** |

| Percent of respondents who say they would buy or rent if they were going to move | | |
|---|---|---|
| | **% Buy** | **% Rent** |
| November 2017 | 65 | 30 |
| December 2017 | 69 | 27 |
| January 2018 | 67 | 28 |
| February 2018 | 66 | 29 |
| 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** |

| Percent of respondents who think it would be difficult or easy for them to get a home mortgage today | | |
|---|---|---|
| | **% Difficult** | **% Easy** |
| November 2017 | 38 | 59 |
| December 2017 | 44 | 52 |
| January 2018 | 39 | 57 |
| February 2018 | 41 | 57 |
| 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** |

| 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 |
| November 2017 | 50 | 11 | 37 |
| December 2017 | 49 | 11 | 40 |
| January 2018 | 52 | 10 | 36 |
| February 2018 | 49 | 9 | 40 |
| 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** |

| Percent of respondents who think the economy is on the right track or the wrong track | | |
| --- | --- | --- |
| | % Right Track | % Wrong Track |
| November 2017 | 50 | 38 |
| December 2017 | 52 | 41 |
| January 2018 | 50 | 38 |
| February 2018 | 53 | 35 |
| 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** |