Insight

Home Sales, June Report

JULY 26, 2010

New home sales for June were up 24 percent over the (dismal) May report.

- Sales remain at a low level, but this report is consistent with my view that the residential sector is at its trough and the bleeding is stopping.

- Month-to-month fluctuations in housing (largely from policy gimmicks like foreclosure moratoria and tax credits) have muddled the economic outlook. A clearer picture of growth – unacceptably slow, but steady – will emerge over the next several months.