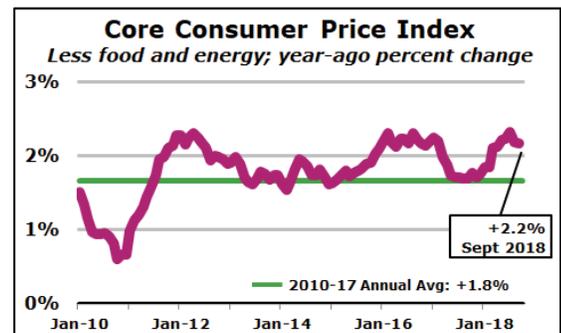
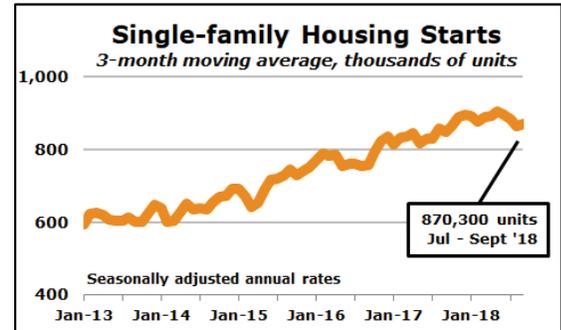


Keeping Current

- Payrolls grew by 134,000 jobs in September, well below the average monthly gain of 217,600 jobs posted in the first eight months of 2018. Meanwhile, the payroll increases for July and August were revised up by a total of 87,000 jobs from last month's estimates.¹
- The unemployment rate fell from 3.9% in August to 3.7% in September, its lowest level since the 3.5% reading in December 1969 – almost 50 years ago.
- The cycle peak of 10.0% was reached in October 2009.¹
- Average hourly earnings grew 3.2% over the past year, the strongest increase over a 12-month period in almost ten years.¹
- Housing starts fell 5.3% in September to a seasonally adjusted annual rate of 1.201 million units. Year-to-date starts are running 6.4% above starts through the first nine months of 2017. Single-family starts are running 6.0% ahead of last year's pace through September.²
- Consumer prices rose 0.1% in September and 2.3% over the past year. Over the past five years, the Consumer Price Index rose at an average annual rate of 1.5%.³
- The “core CPI,” which excludes the volatile food and energy sectors, rose at a 2.2% rate over the past year, ahead of the 1.9% average annual rate of the past five years.³
- Consumer energy prices fell 0.5% in September, the third decline in the past four months. Still, energy prices are up 4.8% in the past year.³
- Retail sales expanded by 0.1% in September for the second consecutive month. Year-to-date sales are running at an annualized 4.5% pace, down from the 5.2% rate through the first nine months of 2017.⁴
- Industrial production grew 0.3% in September, generating a year-to-date annualized growth rate of 3.4% – almost seven times faster than the 0.5% annualized growth rate of 2017's first nine months.⁵
- The average rate on 30-year fixed-rate mortgages in Freddie Mac's survey was 4.85% during the week ending October 18, down five basis points from its level the previous week. After averaging 4.63% in September, the rate averaged 4.82% during the first three weekly reports in October. All rates quoted have fees and points averaging 0.4% to 0.5% of the loan amount.⁶



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1. "The Employment Situation – September 2018," Bureau of Labor Statistics, October 5, 2018. www.bls.gov/news.release/archives/empsit_10052018.pdf.
 2. "Monthly New Residential Construction, September 2018," Census Bureau, October 17, 2018. www.census.gov/construction/nrc/pdf/newresconst_201809.pdf.
 3. "Consumer Price Index – September 2018," Bureau of Labor Statistics, October 11, 2018. www.bls.gov/news.release/archives/cpi_10112018.pdf.
 4. "Advance Monthly Sales for Retail and Food Services," Census Bureau, October 15, 2018. www.census.gov/retail/marts/www/marts_current.pdf.
 5. "Industrial Production and Capacity Utilization," Release G.17, Federal Reserve Board of Governors, October 16, 2018. www.federalreserve.gov/releases/g17/Current/g17.pdf.
 6. Freddie Mac Primary Mortgage Market Survey, Oct 18, 2018. www.freddiemac.com/pmms/.
 The FRB of St Louis Economic Data system (FRED) was used to collect data on employment, the CPI, housing starts, retail sales, and industrial production.

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