

Weekly Real Estate Statistical Update

Up-to-date data on crucial California real estate trends from



Low sales volume + high prices = hold phase



Yield spread increase forecasts economic recovery

The yield spread will indicate recession or recovery

Yield spread is the difference between the yield on a long-term bond and the yield on a short-term bond. It is a key indicator of economic health.

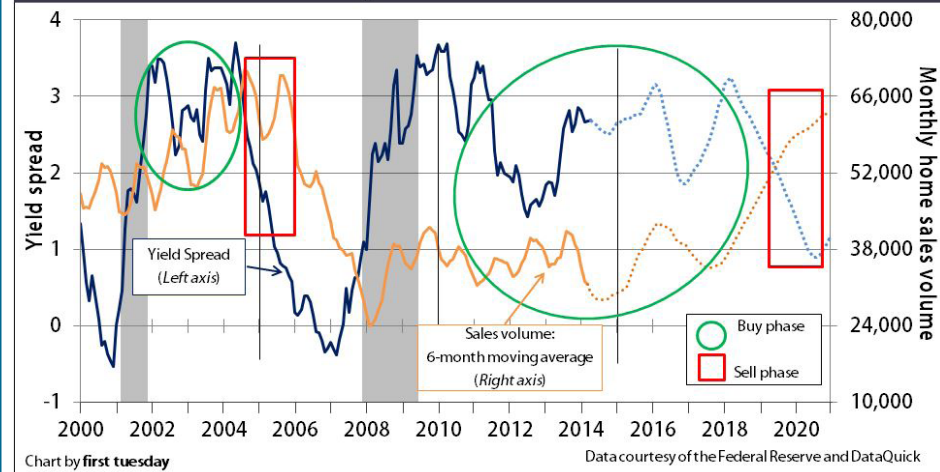
When the yield spread is wide, it suggests a recession or recovery. When it is narrow, it suggests a period of economic stability.

Since the yield spread has increased, it suggests that the economy is recovering from a recession.

As a result, home sales volume is expected to increase over the next year.



The Yield Spread and Home Sales Volume



Yield spread and home sales volume send mixed signals

This chart examines the yield spread as your guide to buy, sell or hold real estate.

The chart shows that while the yield spread has increased, home sales volume has remained relatively low. This suggests a mixed signal for the real estate market, where high prices and low sales volume indicate a hold phase.

Home sales volume suggests a price dip

Low home sales volume suggests a price dip and pricing.

Home sales volume is a key indicator of market activity.

When sales volume is low, it suggests that buyers are hesitant to purchase, which can lead to a price dip.

This is often seen in a hold phase of the market.

As a result, home prices may dip, and wage increases may be needed to stimulate the economy.

Home sales volume is expected to increase as the economy recovers.

By 2020, home sales volume is expected to reach levels similar to 2018.



Home sales volume

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