

Your Weekly Economic Update

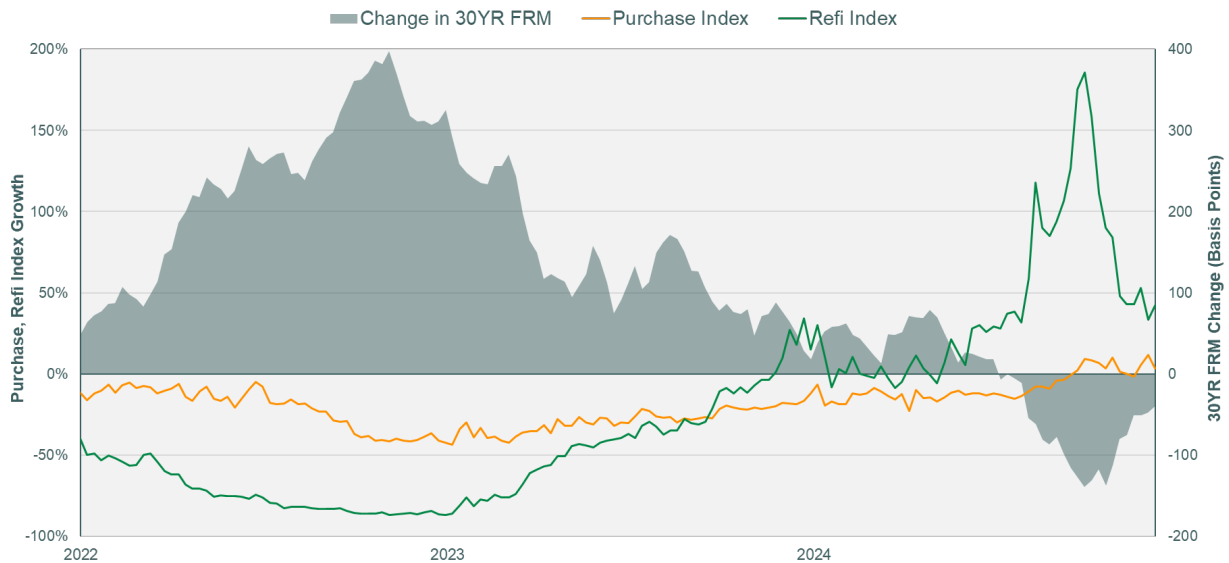
with Jeff Bridges, Chief Economist at Enact

Get the latest update from our own Jeff Bridges, Chief Economist at Enact. Check out some key economic observations from the **week of Dec. 9 – 13, 2024**.

Key Points:

- **Mortgage rates have increased from recent lows**, though rates are somewhat lower from this time last year.
- According to [MBA's applications survey](#), purchase activity is 4% higher from last year while refinancing activity is up by 42%.

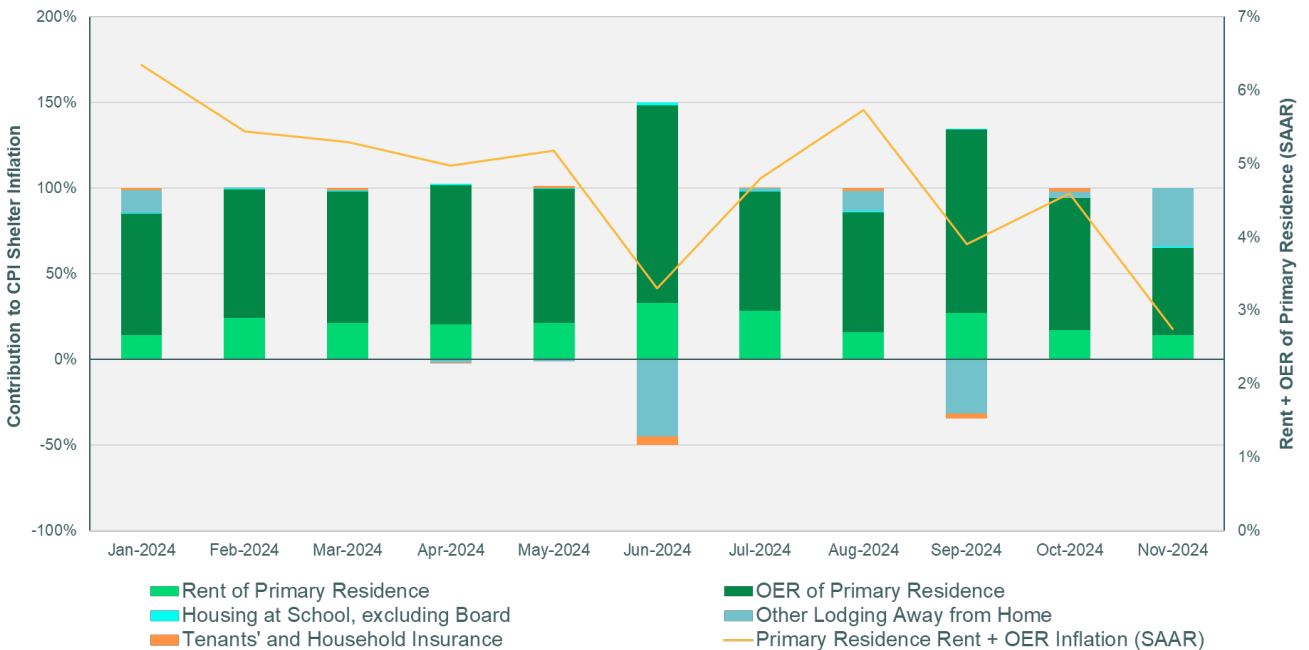
MBA Applications Survey: Year-over-Year Trends



Source: Mortgage Bankers Association

- Core CPI inflation grew by 3.3%** year-over-year in November. **Housing-related components** have been significant drivers of inflation with the CPI for shelter rising by 4.8% from last year. **Shelter inflation fell modestly** in November on an annualized basis, though a large inflationary contribution from a minor, volatile component masked a significant deceleration in inflation across components with heavier weights.
 - Two components, *rent of primary residences and owner's equivalent rent (OER) of primary residences* (i.e. the hypothetical rent a homeowner would pay to rent their home), make up around 95% of sampled CPI shelter by weight, so in a typical month these components tell most of the shelter inflation story.
 - Last month, a minor component – *lodging away from home* (e.g. hotels) – saw price growth at a 45% annualized rate.
 - Owner's equivalent rent of primary residences*, the most important component by weight, is currently growing at its slowest pace since January 2021.

Contribution to CPI Shelter Inflation by Component



Source: Bureau of Labor Statistics