

MARCH EXISTING HOME SALES

Chief Economist – Brian S. Wesbury
Senior Economist – Robert Stein, CFA

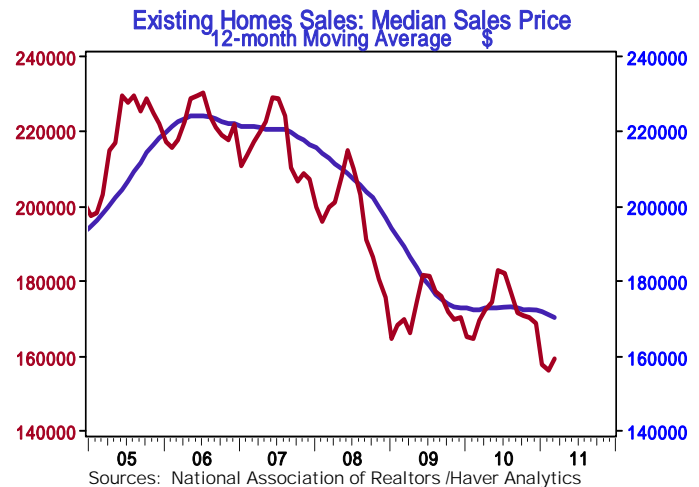
- Existing home sales rose 3.7% in March to an annual rate of 5.10 million units, above the consensus expected pace of 5.00 million units. Existing home sales are down 6.3% versus a year ago.
- Sales in March were up in the Northeast, Midwest, and South, but down in the West. Sales rose for both single-family homes and condos/coops.
- The median price of an existing home rose to \$159,600 in March (not seasonally adjusted), but is down 5.9% versus a year ago. Average prices are down 3.5% versus last year.
- The months' supply of existing homes (how long it would take to sell the entire inventory at the current sales rate) fell to 8.4 from 8.5 in February. The drop in the months' supply was due to faster sales pace, which offset an increase in inventories.

Implications: Just when you started to believe the pundits were right and housing would never come back, the data have made a nice turn to the upside. After pulling back in February (by less than first estimated), existing home sales increased to a 5.10 million unit annual pace in March. This is the fourth strong monthly gain in the past five months and existing home sales are now 32.1% above their low of 3.86 million in July 2010. Sales gains were widespread, increasing in most major regions of the country. On the price front, the median price of an existing home rose to \$159,600, although prices are still down 5.9% in the past year. The rebound in housing data in the past few days is positive, but does not signal a miraculous return to pre-crisis conditions. There are many positive developments (higher wages, job growth, low interest rates, and great prices), but credit conditions remain tight. So, while we expect the sales of existing homes to climb back to their long-term trend of about 5.5 million units annually, the process will remain volatile.

NAR Total Existing Home Sales, United States
SAAR, Thous



Existing Homes Sales: Median Sales Price



Existing Home Sales	Mar-11		Feb-11	Jan-11	3-month	6-month	Yr to Yr % Change
	%Ch.	level					
<i>Seasonally Adjusted Unless Noted, Levels in Thous.</i>							
Existing Home Sales	3.7%	5100	4920	5400	5140	4943	-6.3
Northeast	3.9%	800	770	830	800	797	-12.1
Midwest	1.0%	1060	1050	1150	1087	1047	-13.1
South	8.2%	1990	1840	2050	1960	1883	-1.0
West	-0.8%	1250	1260	1370	1293	1217	-3.1
Median Sales Price (\$, NSA)	2.2%	159600	156100	157900	157867	163867	-5.9

Source: National Association of Realtors

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