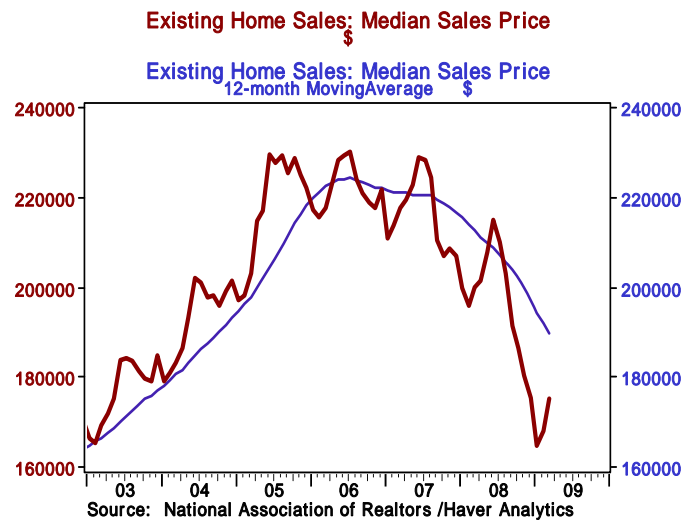
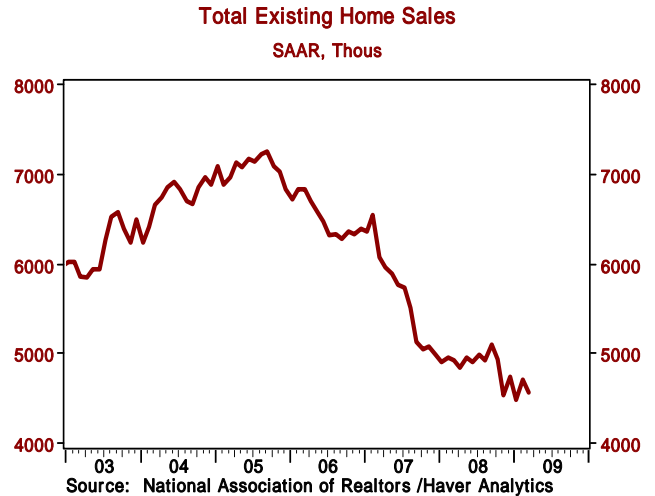


MARCH EXISTING HOME SALES

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- Existing home sales decreased 3.0% in March to an annual rate of 4.57 million. The consensus expected a slight decline to a sales rate of 4.70 million. Existing home sales are down 7.1% versus a year ago.
- Sales were down in all major regions of the country, except for the Midwest which was unchanged. Sales decreased for both single-family units and condos/co-ops.
- The median price of an existing home increased to \$175,200 in March (not seasonally adjusted) but is down 12.4% versus a year ago.
- The months' supply of existing homes (at the current sales rate) increased to 9.8 from 9.7 in February. The increase in the months' supply was all due to the slower selling pace for single-family homes. The raw inventory declined for both single-family homes and condos/co-ops.



Implications: Existing home sales fell slightly in March, yet the number of existing homes sold in March remains 1.8% above the lows of January, showing that housing sales have stabilized, and have likely bottomed. The level of sales last month is still well within the selling range of the last five months. The median sales price increased for the second straight month, and the March jump in prices was the largest monthly increase since June 2005 (not seasonally adjusted). We continue to expect nationwide home building to bottom late this year, although some regions are likely to see a pickup in activity before summer. In other recent housing news, yesterday the Federal Housing Finance Agency reported home purchase prices for houses financed by conforming mortgages rose 0.7% in February, the second straight monthly increase. These prices are up 1.7% in the past two months, the largest improvement since 2005. On a national average basis, home prices will probably fall until about year end. However, the FHFA report shows the problem is increasingly isolated to areas and market segments financed by non-traditional mortgage loans. In other news this morning, new claims for unemployment insurance increased by 27,000 last week to 640,000. These levels appear to be averaging below March levels, suggesting the end of the recession is near. Meanwhile, continuing claims increased by 93,000 to 6.137 million.

Existing Home Sales <i>Seasonally Adjusted Unless Noted, Levels in Thous.</i>	Mar-09		Feb-09	Jan-09	3-month moving avg.	6-month moving avg.	Yr to Yr % Change
	% Ch.	level					
Existing Home Sales	-3.0%	4570	4710	4490	4590	4665	-7.1
Northeast	-8.0%	690	750	640	693	733	-22.5
Midwest	0.0%	1040	1040	1030	1037	1048	-11.1
South	-1.7%	1710	1740	1640	1697	1718	-10.9
West	-4.2%	1130	1180	1170	1160	1165	18.9
Median Sales Price (\$, NSA)	4.2%	175200	168200	164800	169400	175100	-12.4

Source: National Association of Realtors

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