



**Wells Fargo Economics**  
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**Senior Economist & VP**  
**2009 FTA Revenue Estimation & Tax**  
**Research Conference**  
**September 14<sup>th</sup>, 2009**  
**Des Moines, IA**

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***U.S. Housing Market:***  
***Is It Time for Bottom Fishing?***



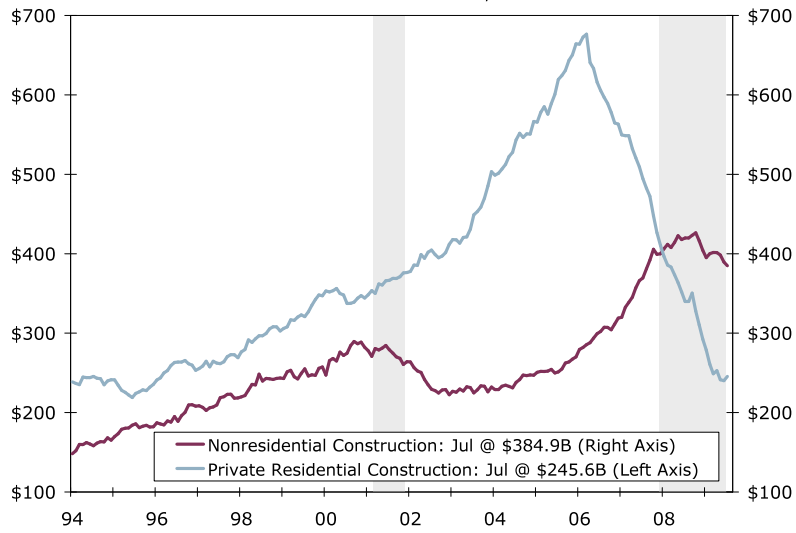
# Construction Will Remain Very Weak

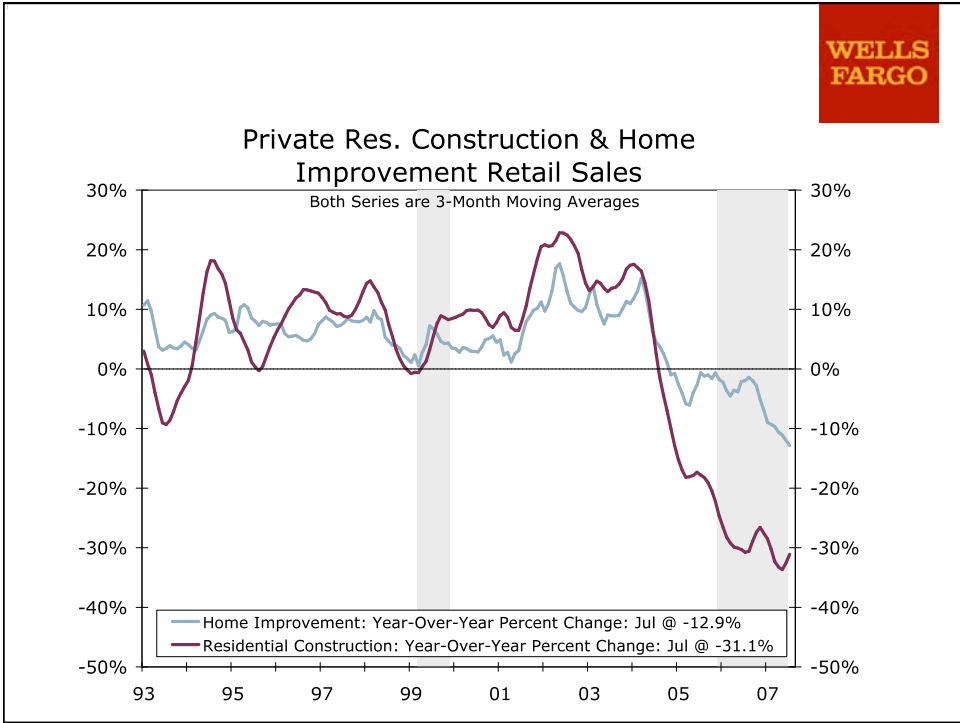
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### Residential and Nonresidential Construction

Billions of Current Dollars, SAAR

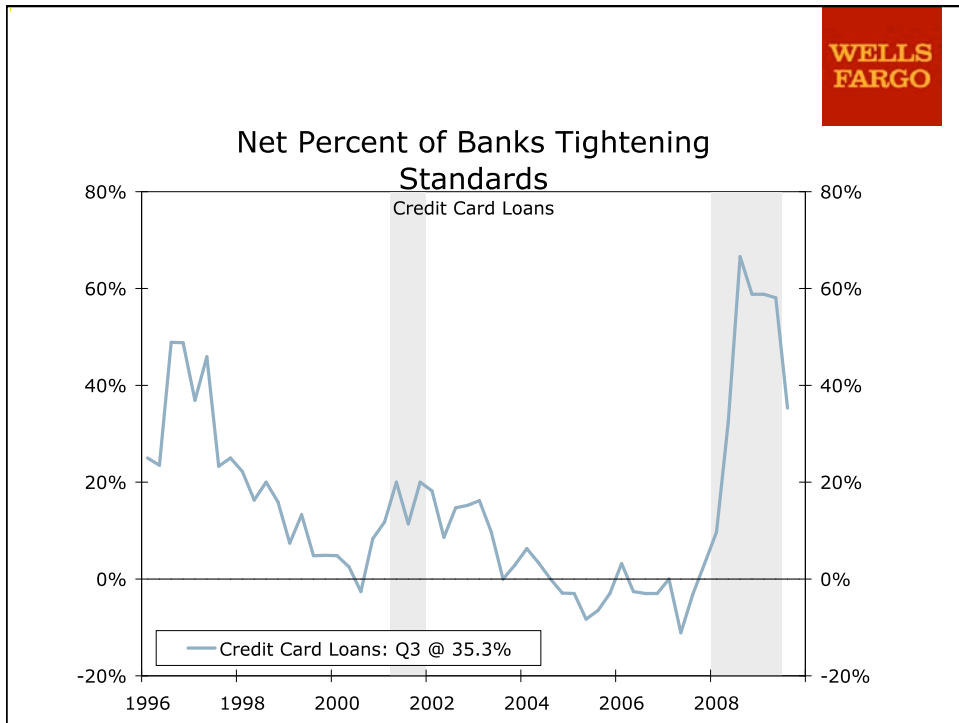
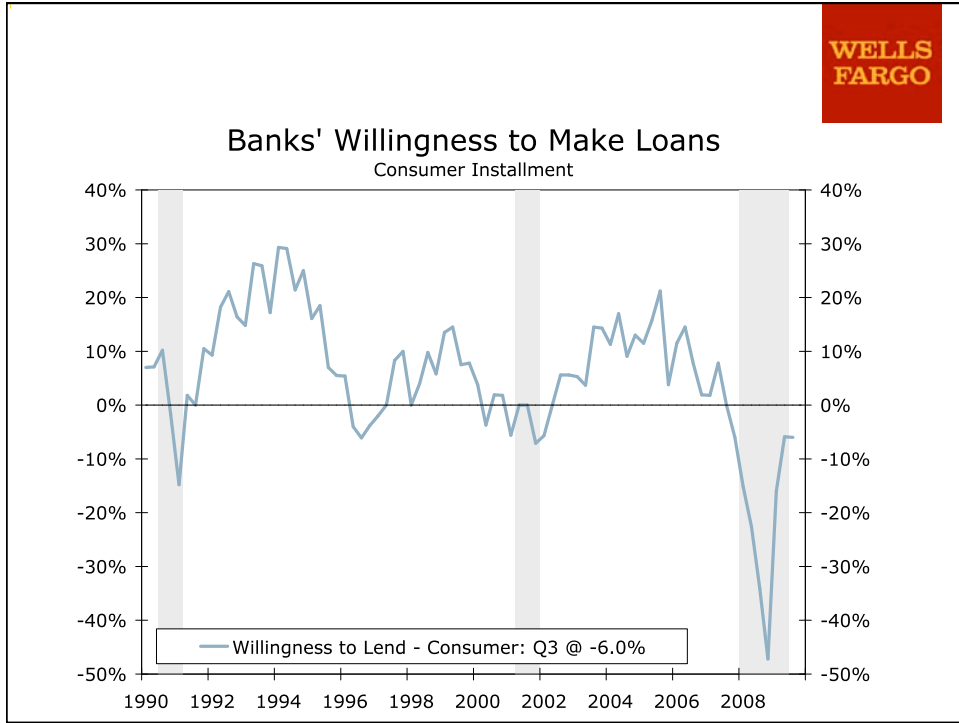


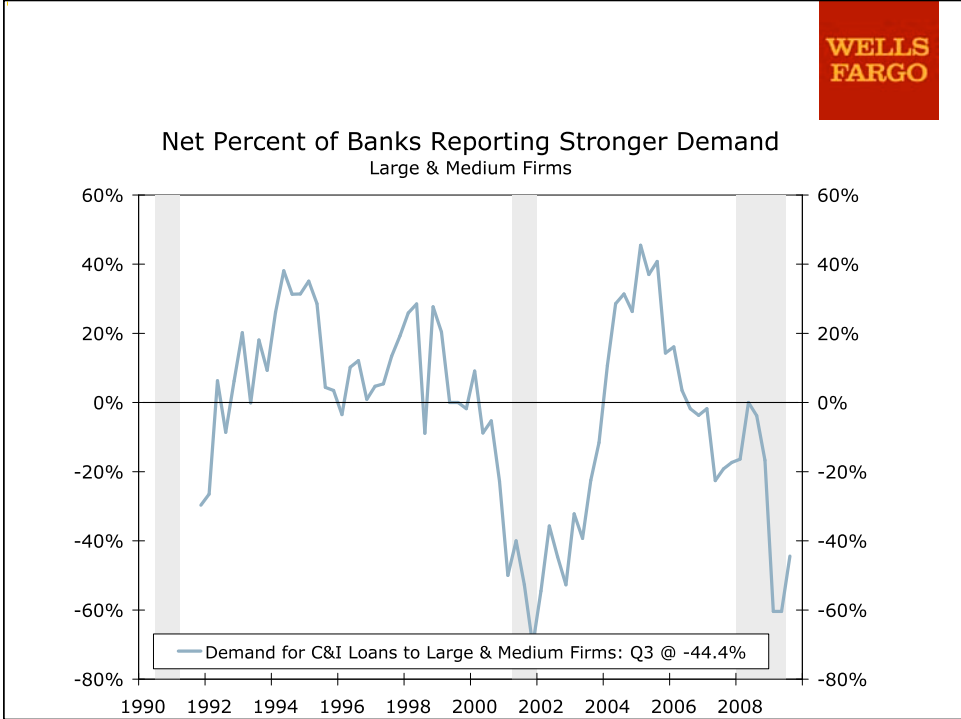
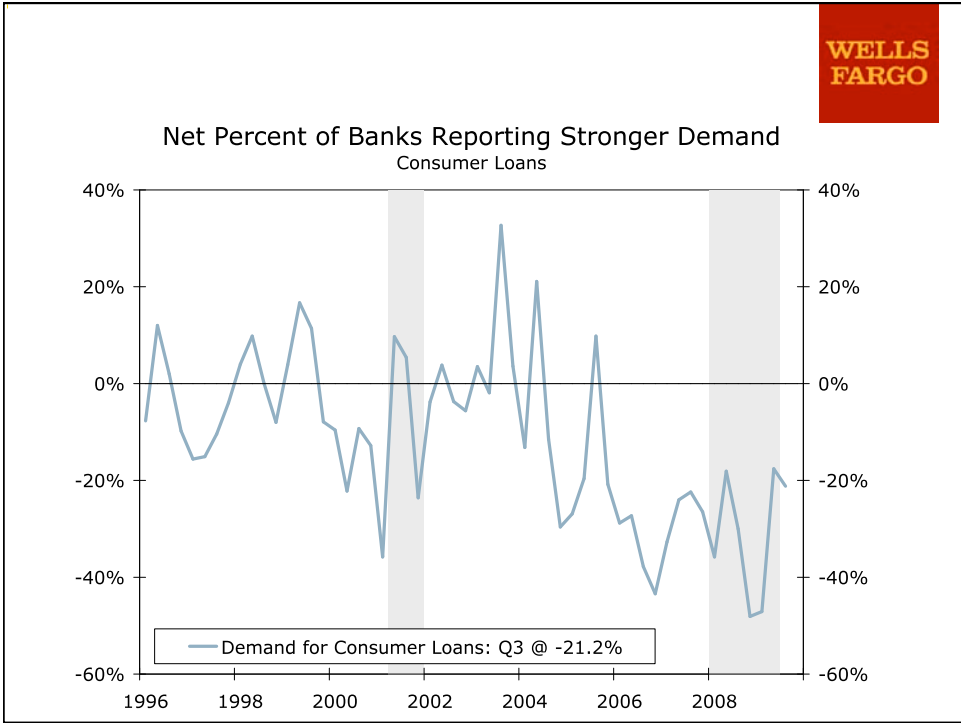


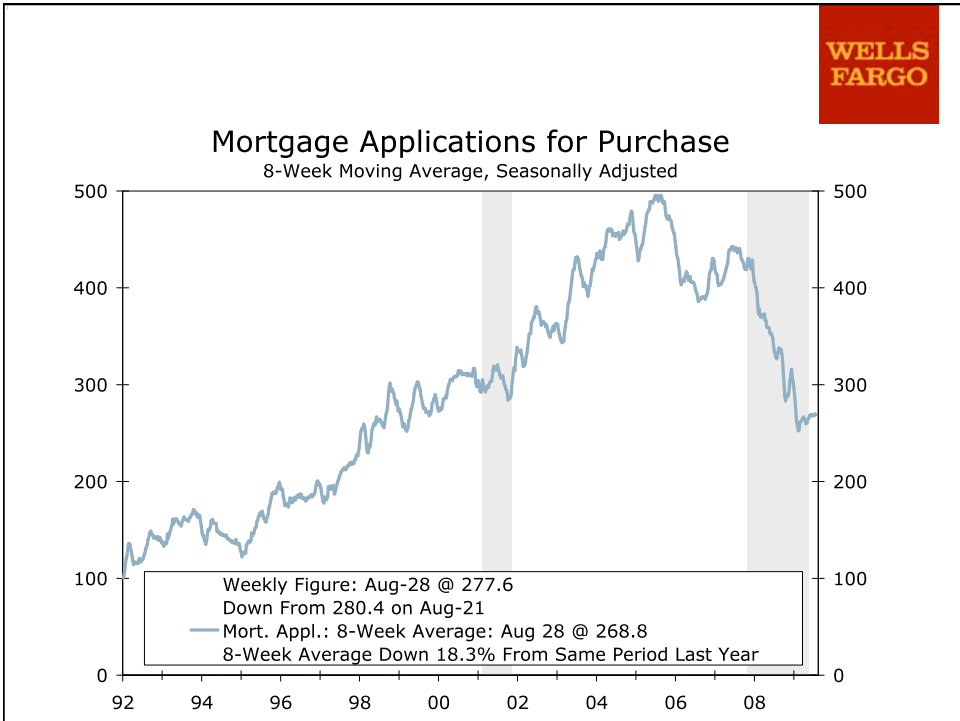
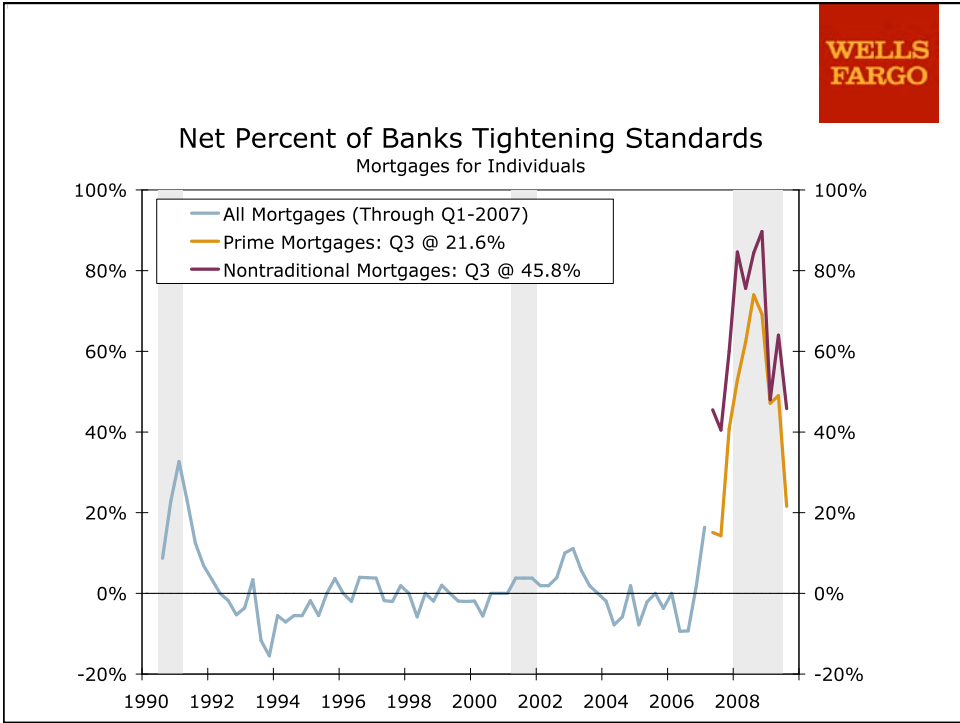
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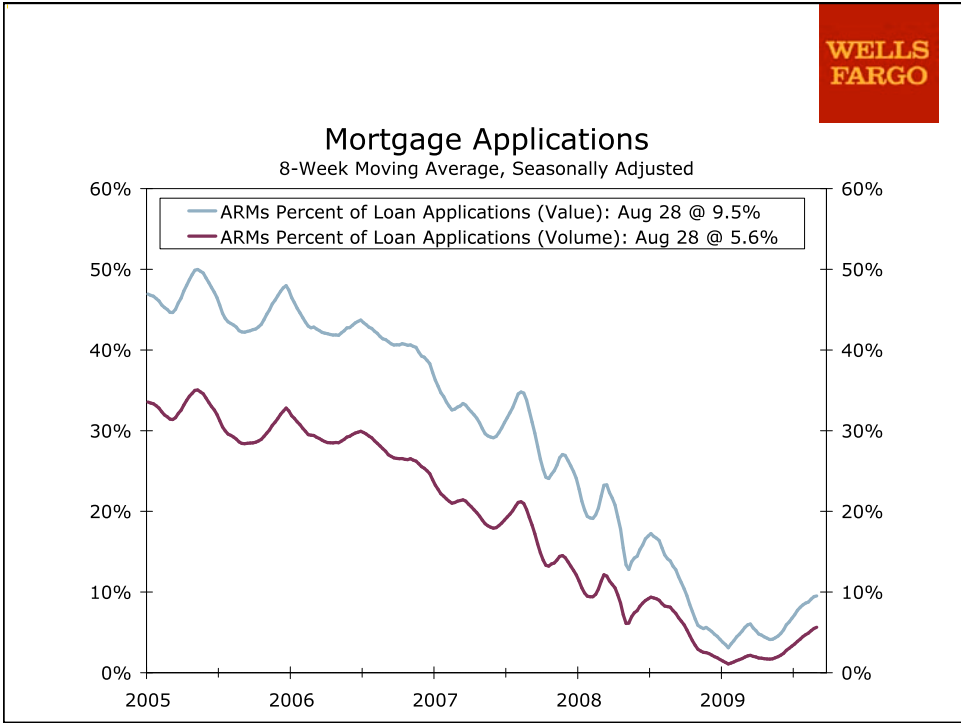
***Credit: Better Than Before Is  
Not Good Enough***

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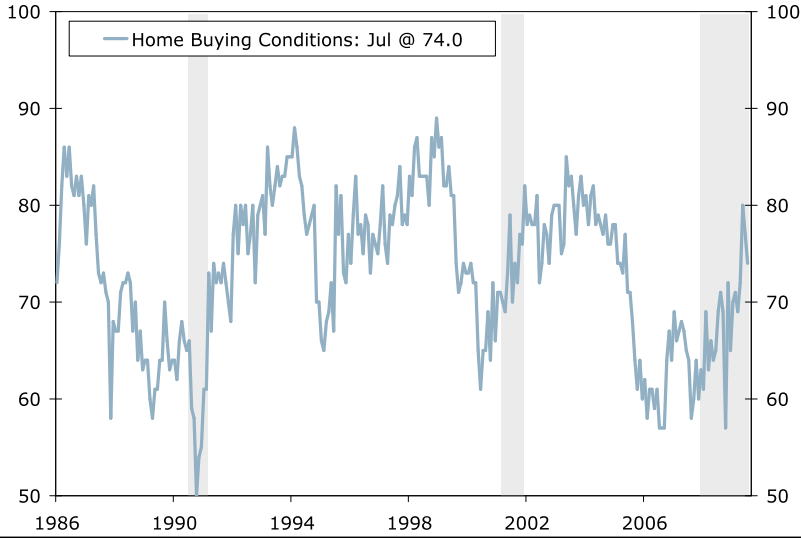


***Consumer Sentiment:  
Improving, But Will It  
Matter?***

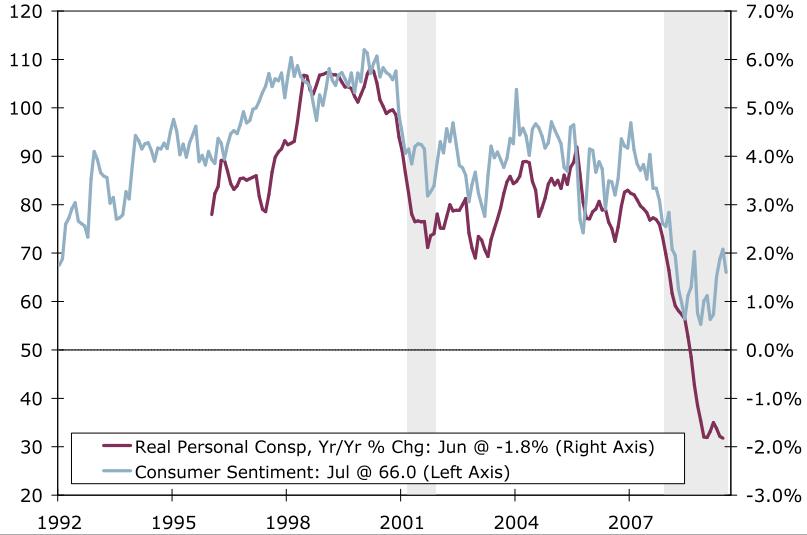
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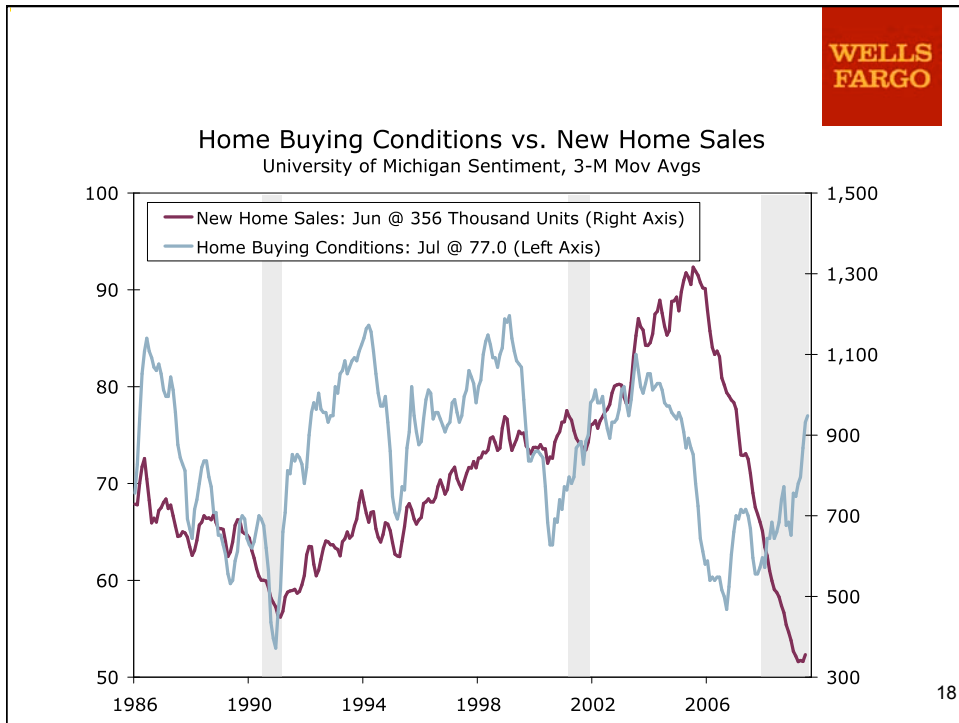
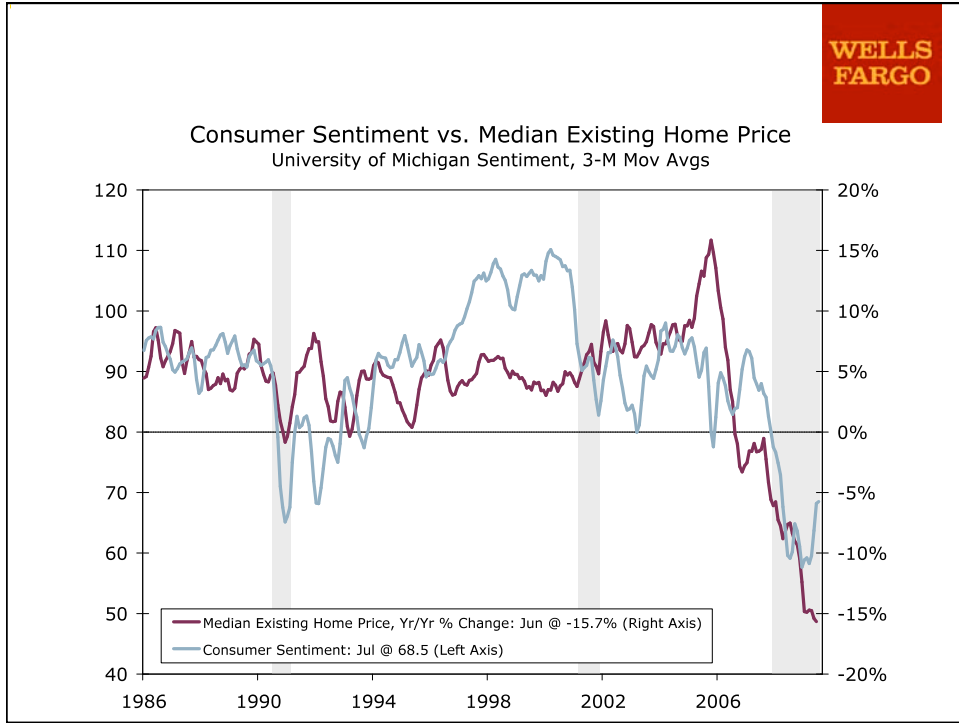
### U. Michigan Sentiment Home Buying Conditions Index



### Consumer Sentiment vs. Personal Consumption University of Michigan

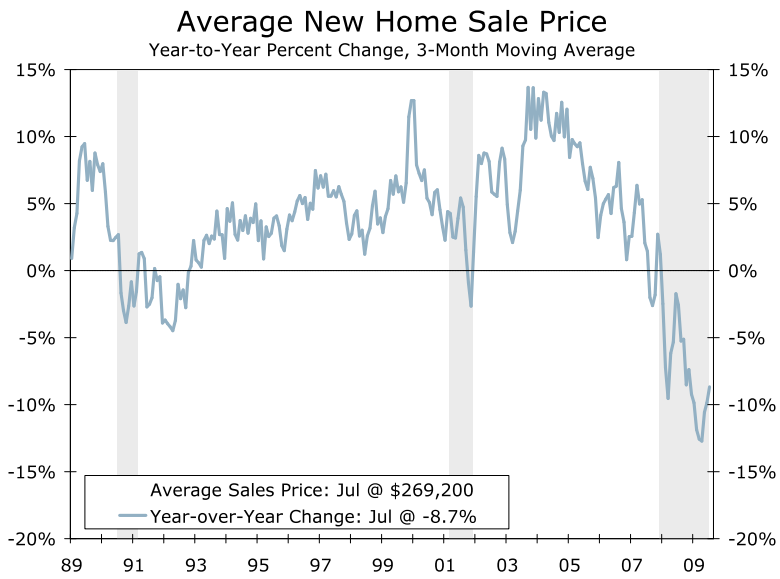


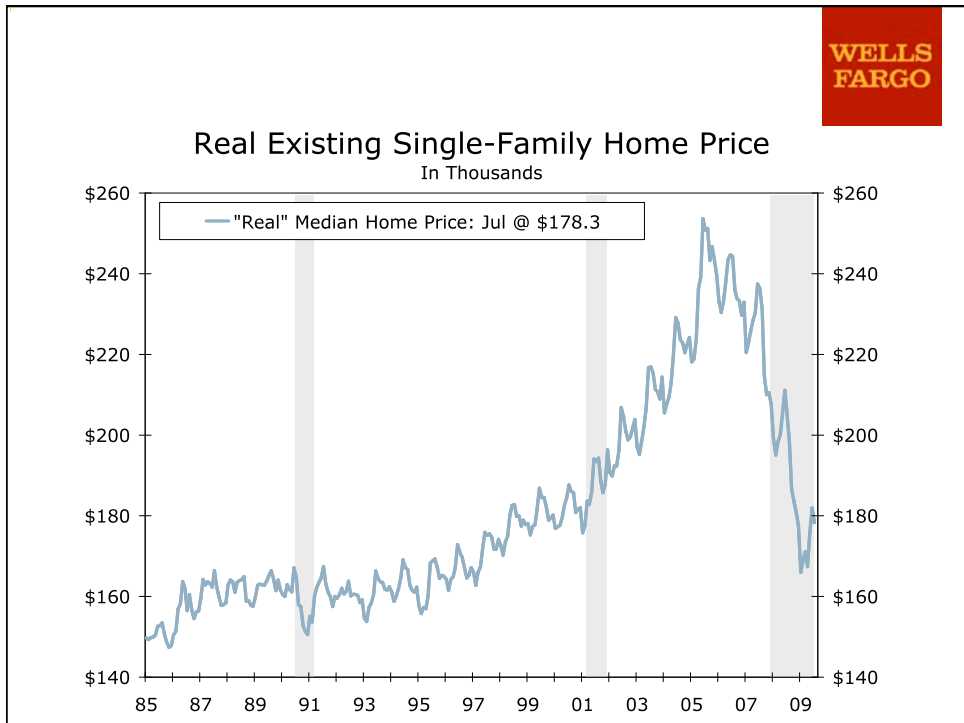
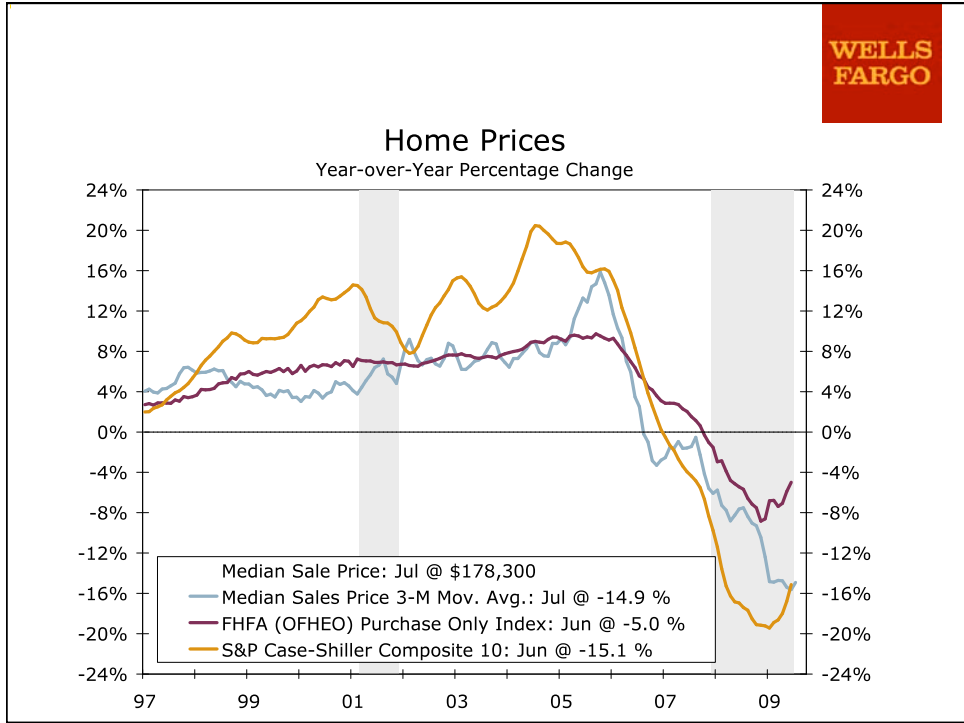






# Home Prices: Affordable, But Who Is Buying?







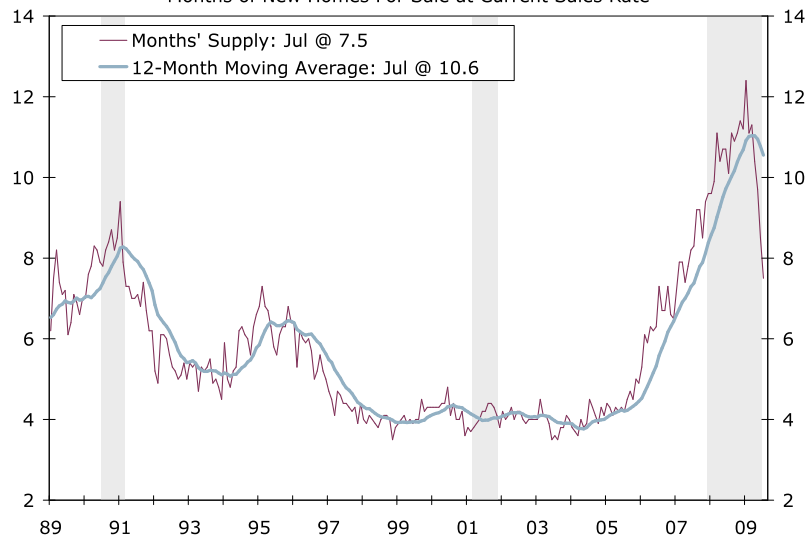
# Housing Inventory, Sales & Starts

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### Inventory of New Homes for Sale

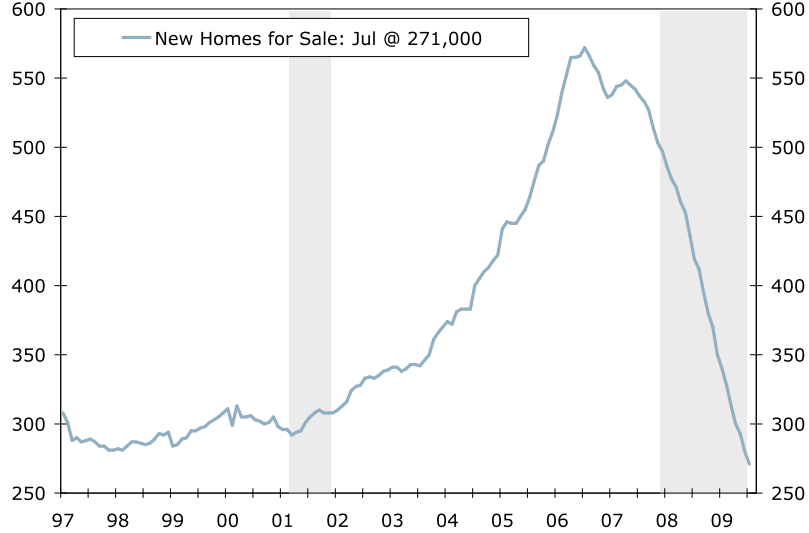
Months of New Homes For Sale at Current Sales Rate





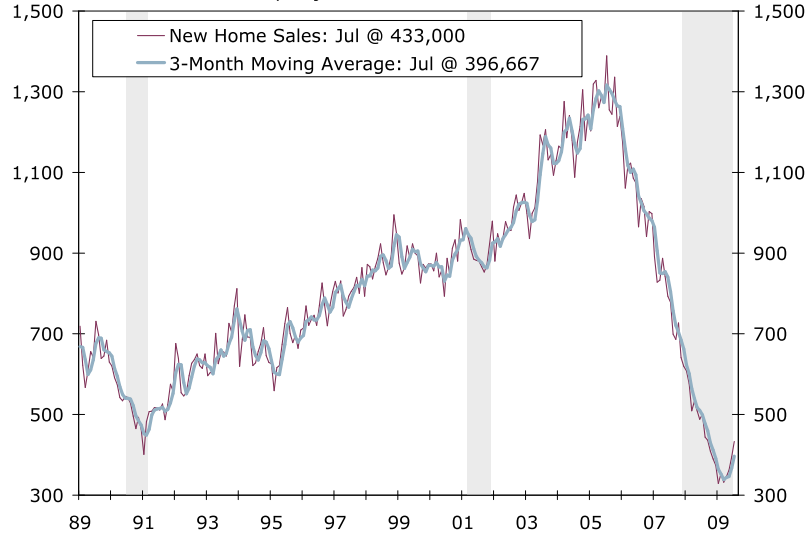
### Inventory of New Homes for Sale

New Homes for Sale at End of Month - In Thousands



### New Home Sales

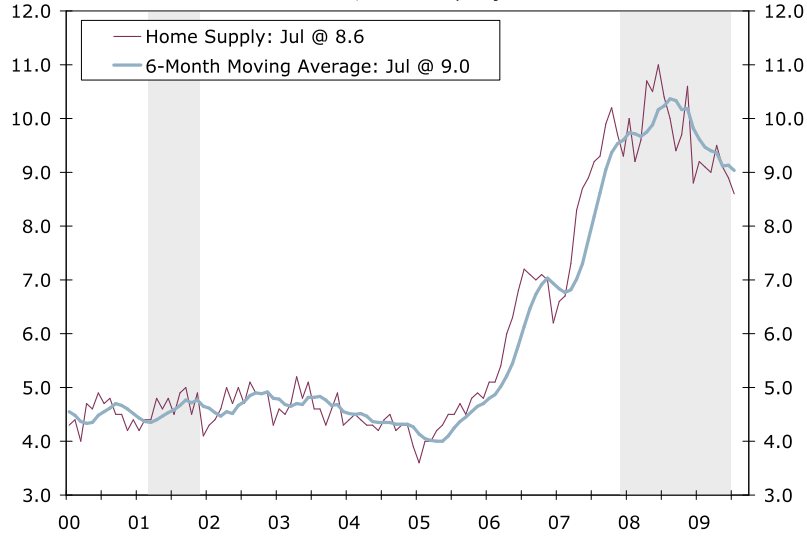
Seasonally Adjusted Annual Rate - In Thousands





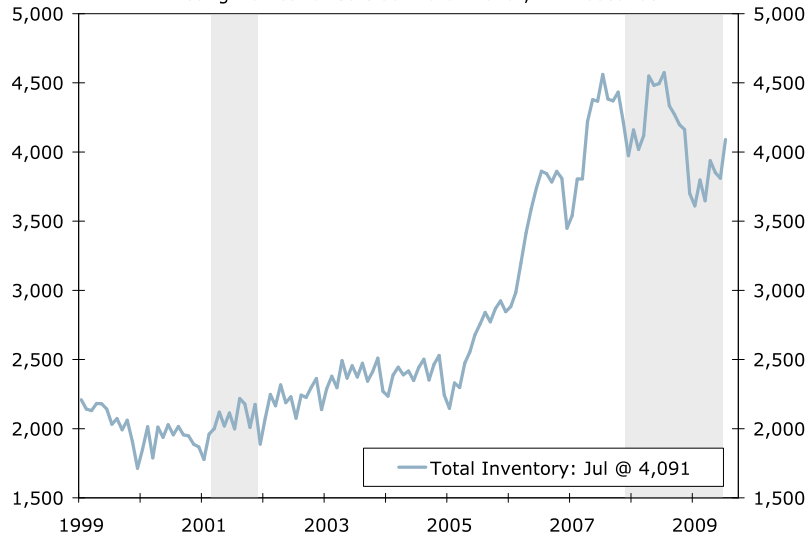
### Existing Single-Family Home Supply

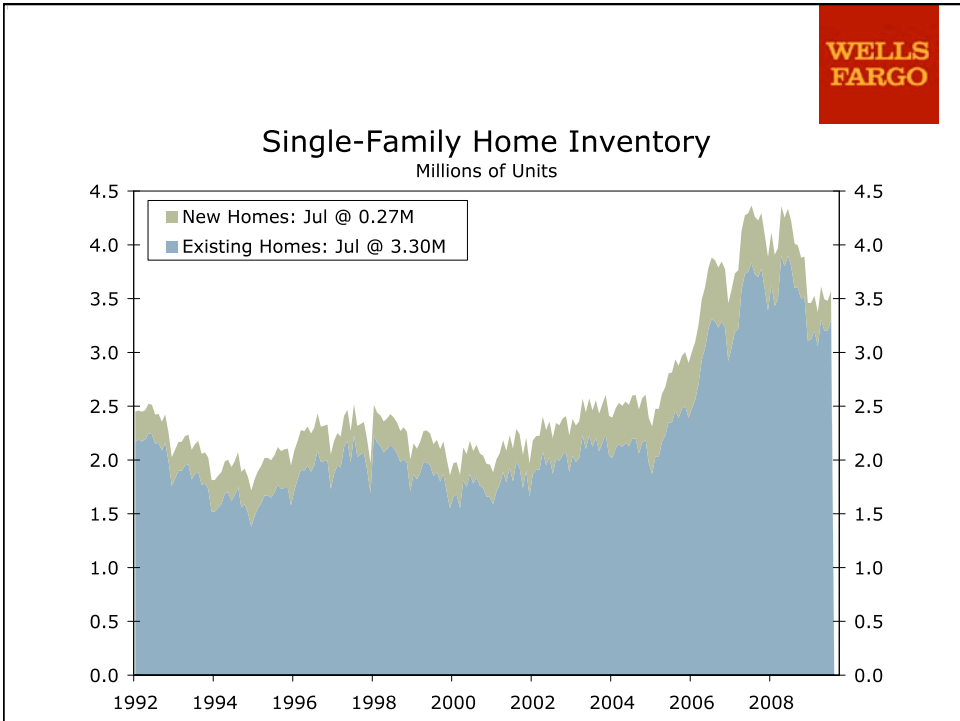
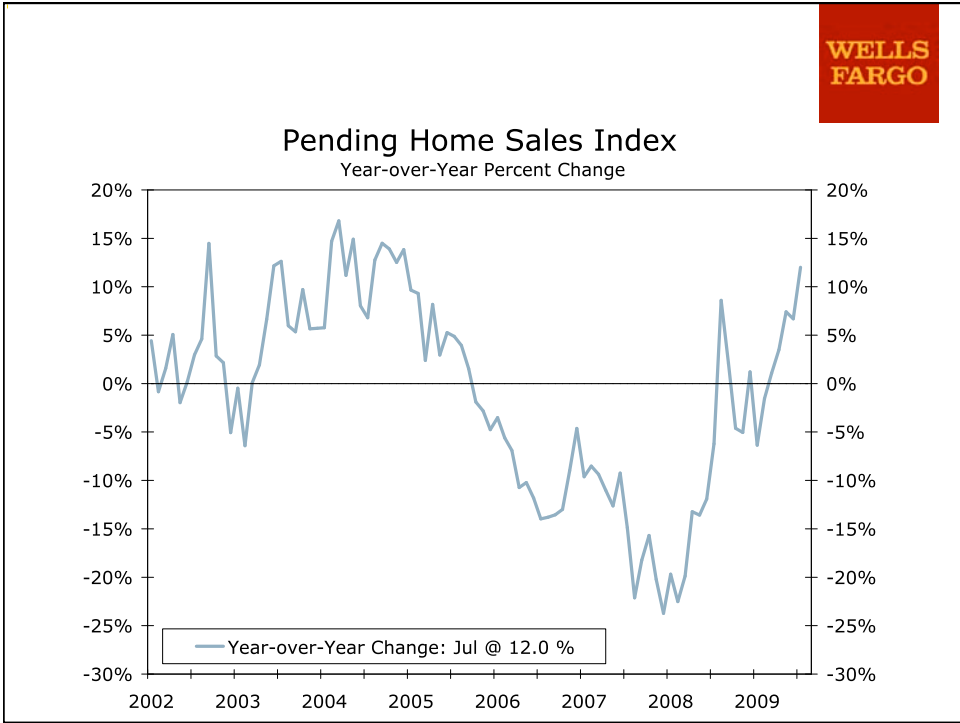
In Months, Seasonally Adjusted

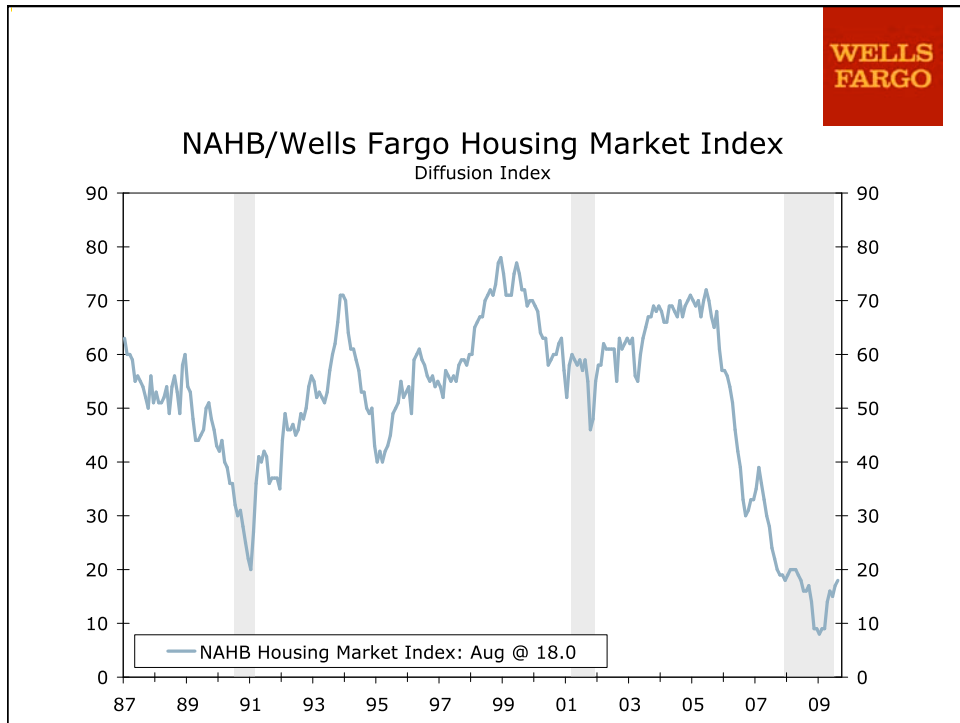
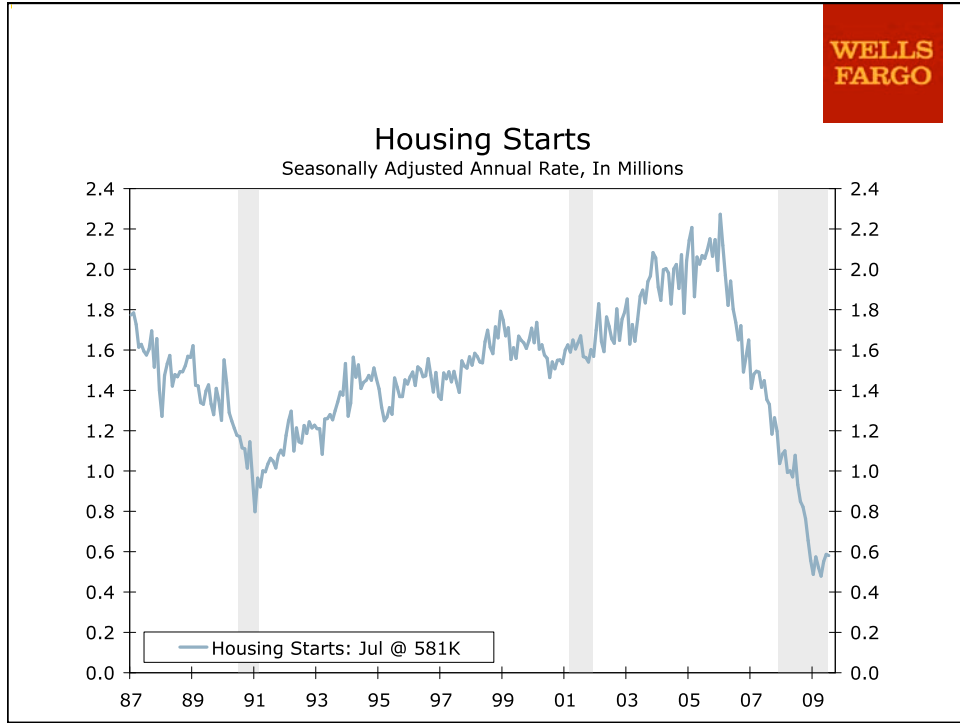


### Inventory of Existing Homes for Sale

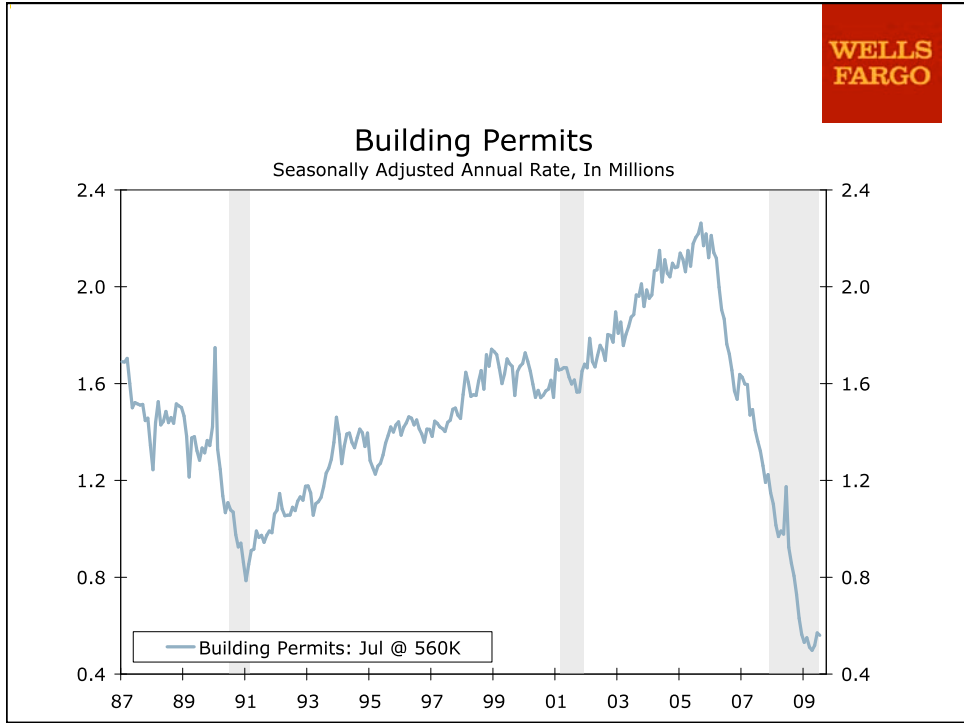
Existing Homes for Sale at End of Month, In Thousands







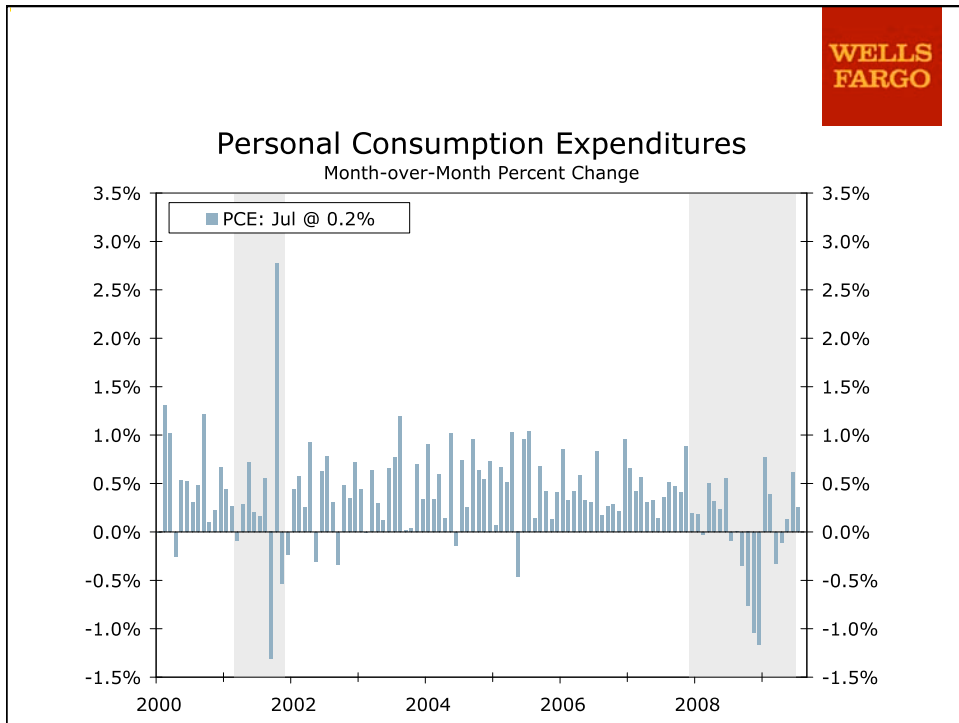
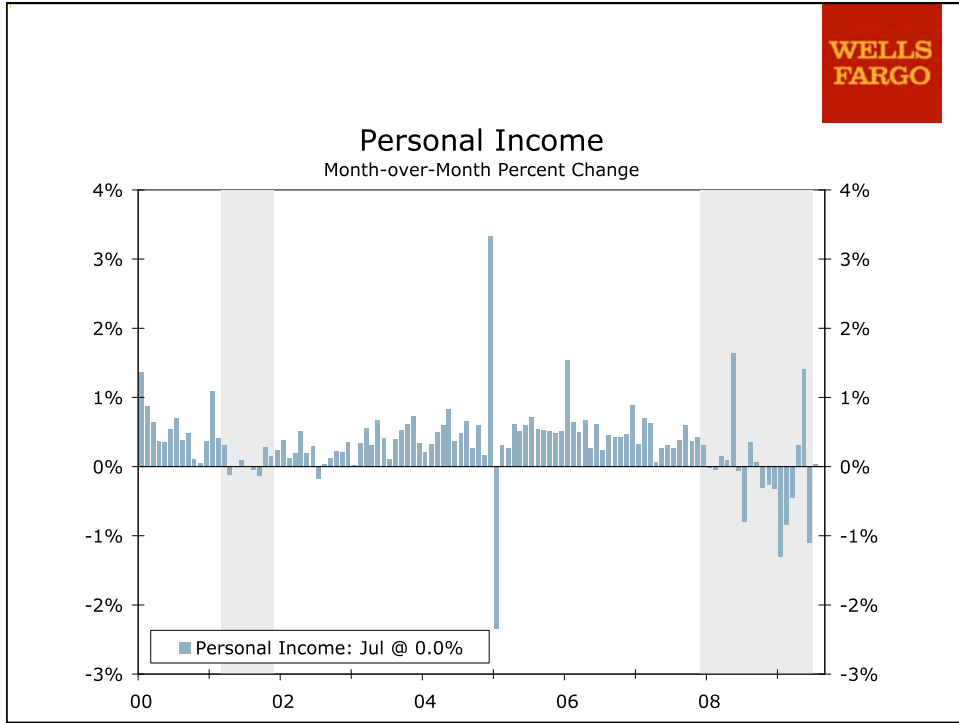


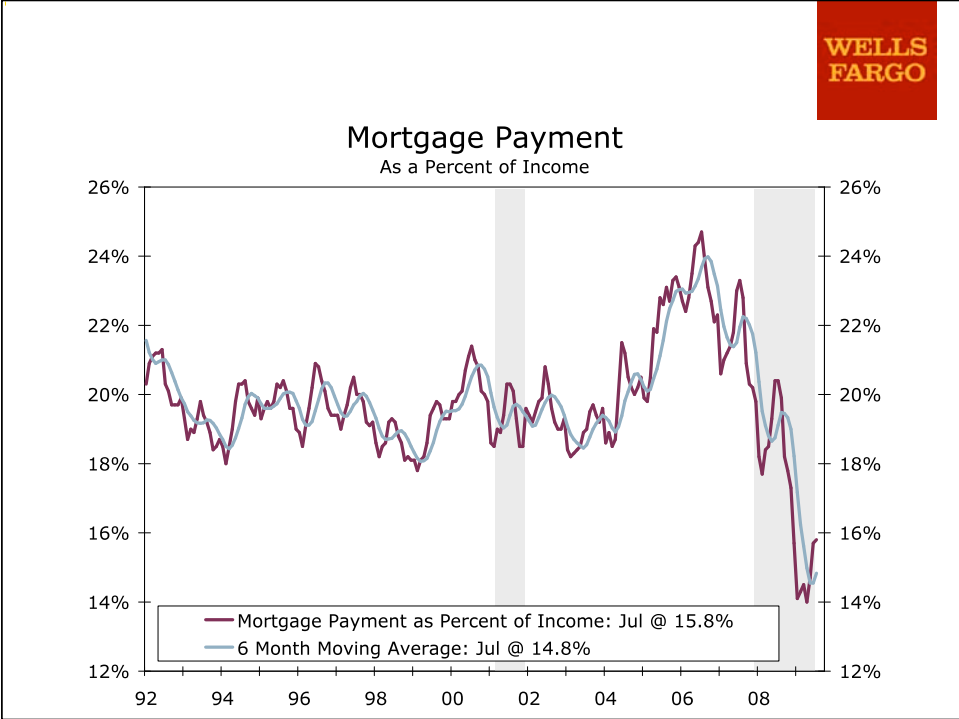
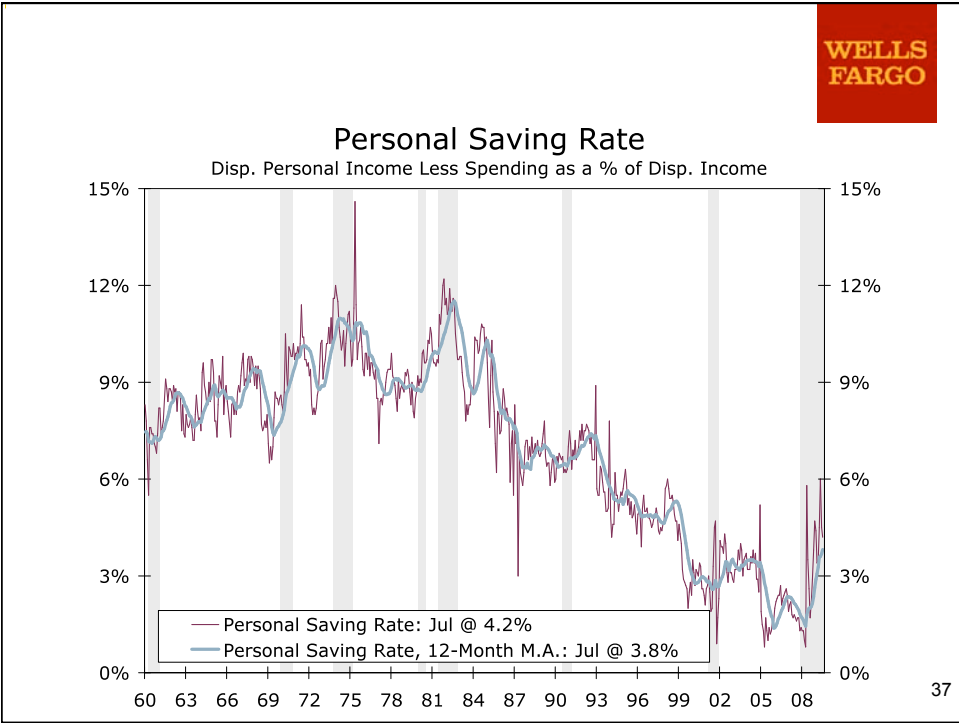


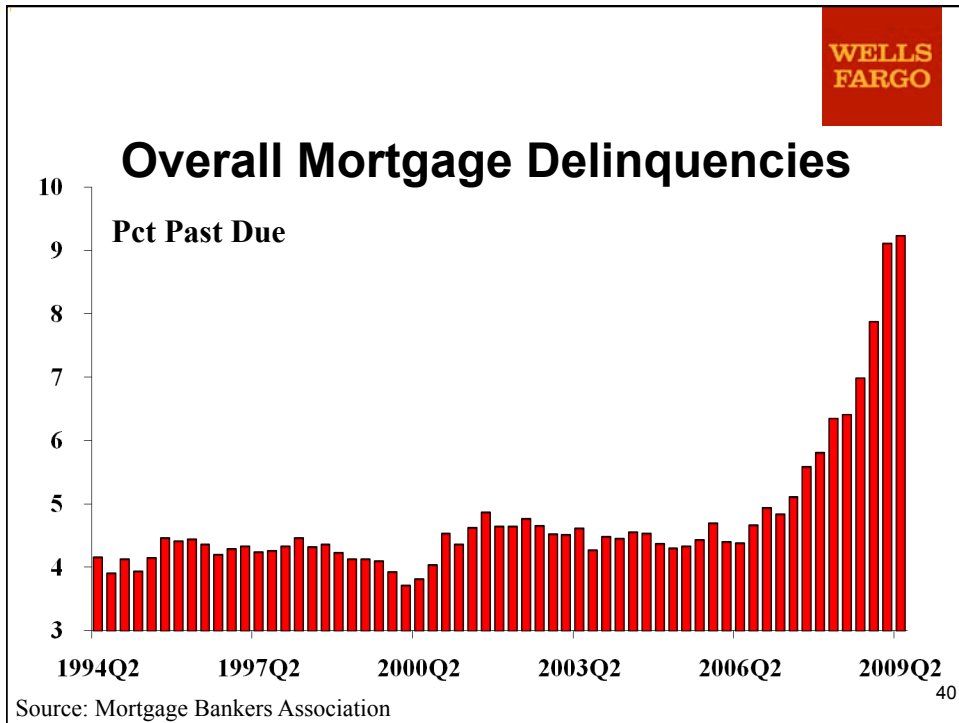
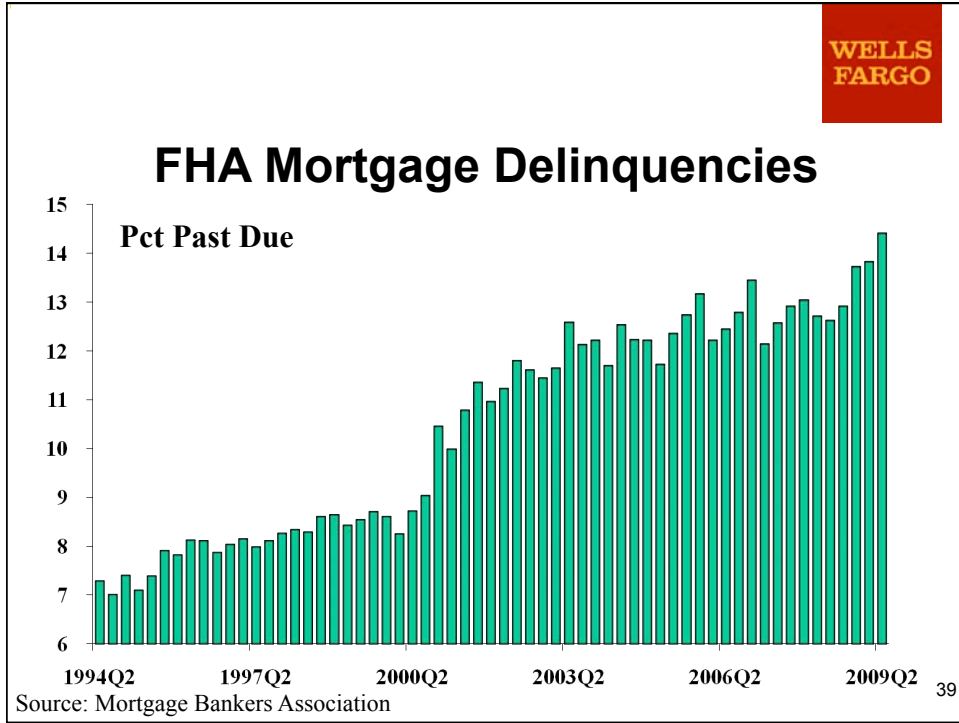
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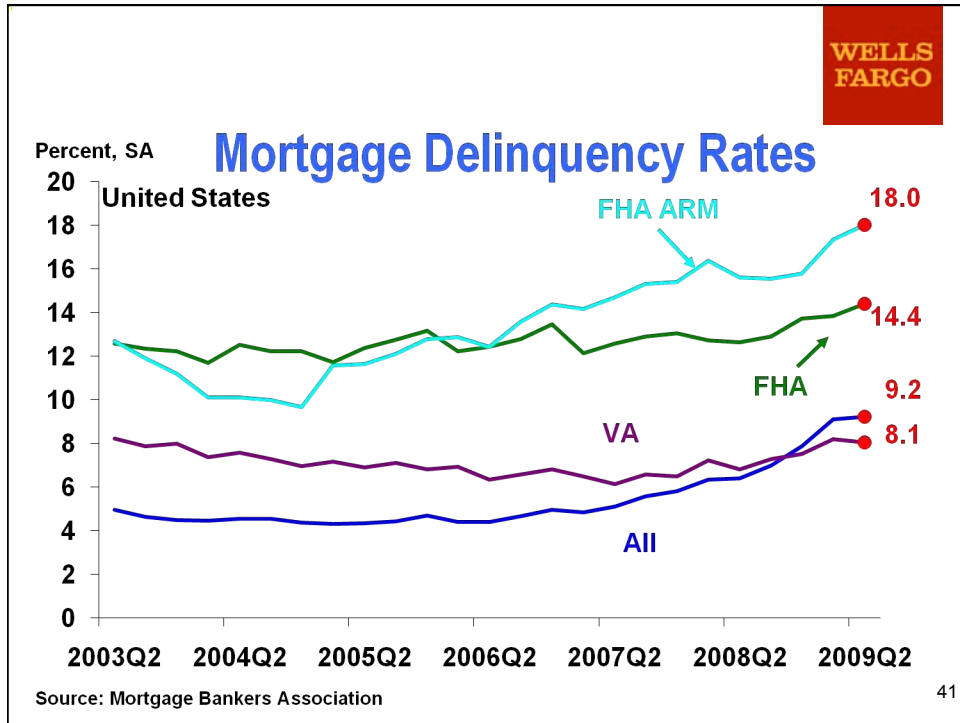
## *And Now What?*

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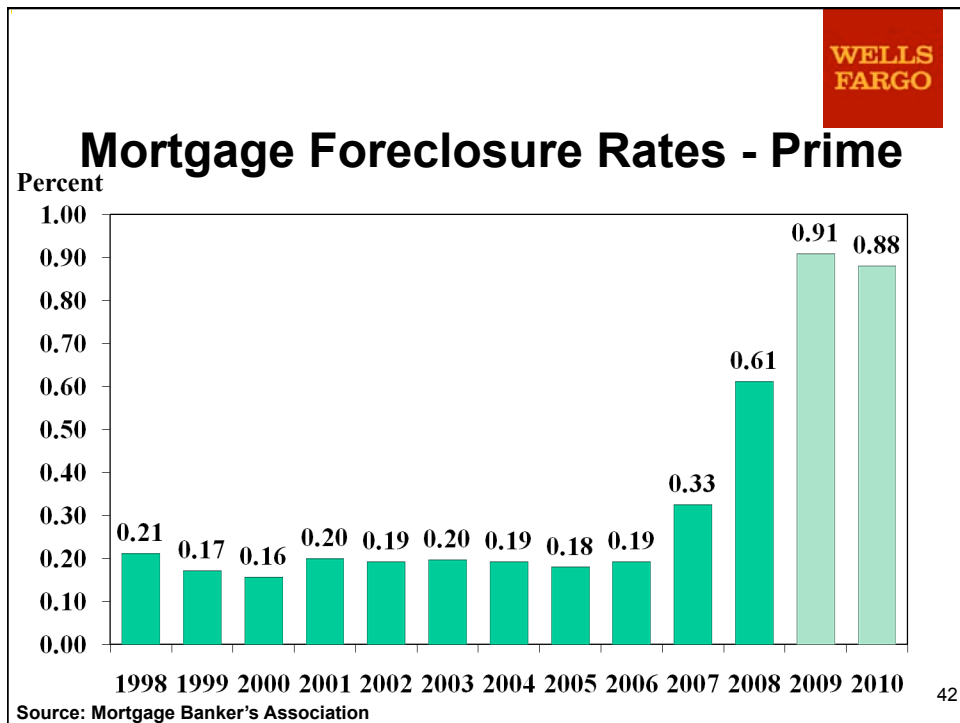




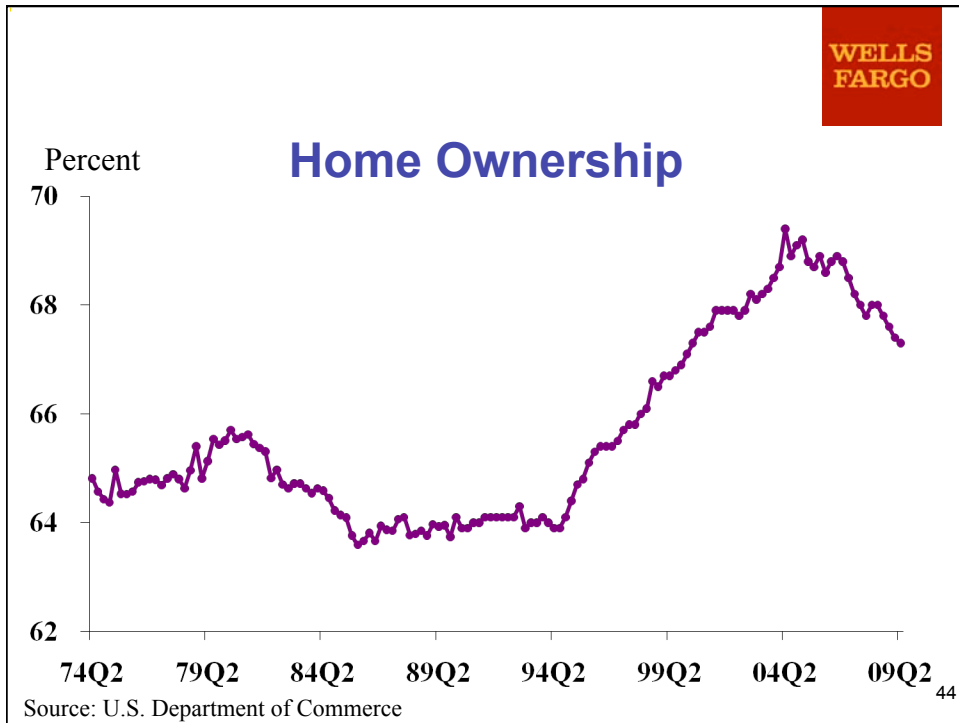
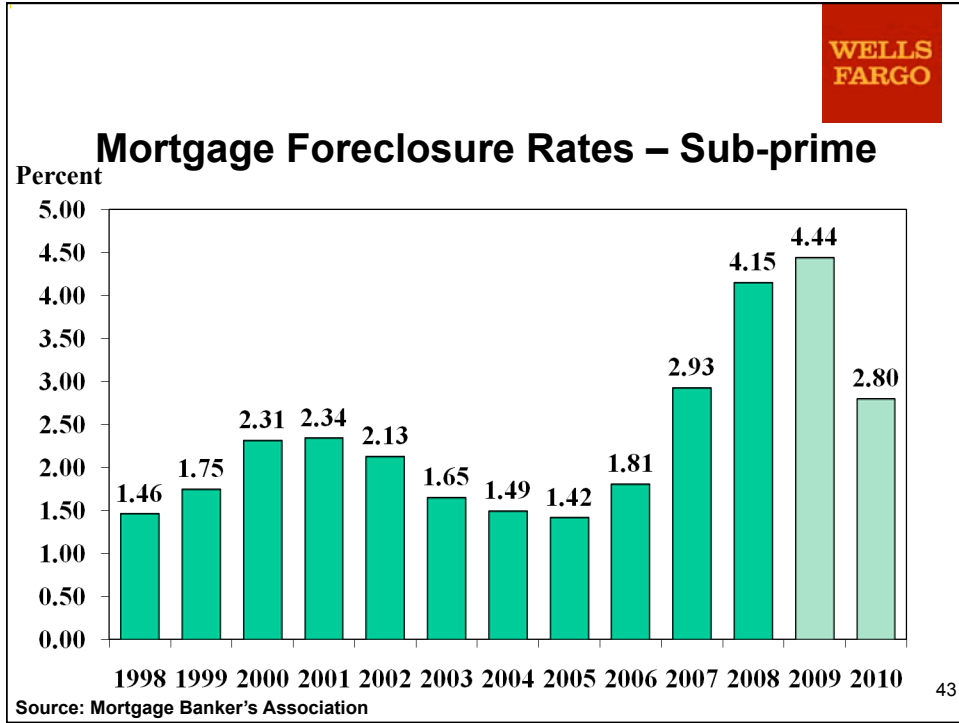


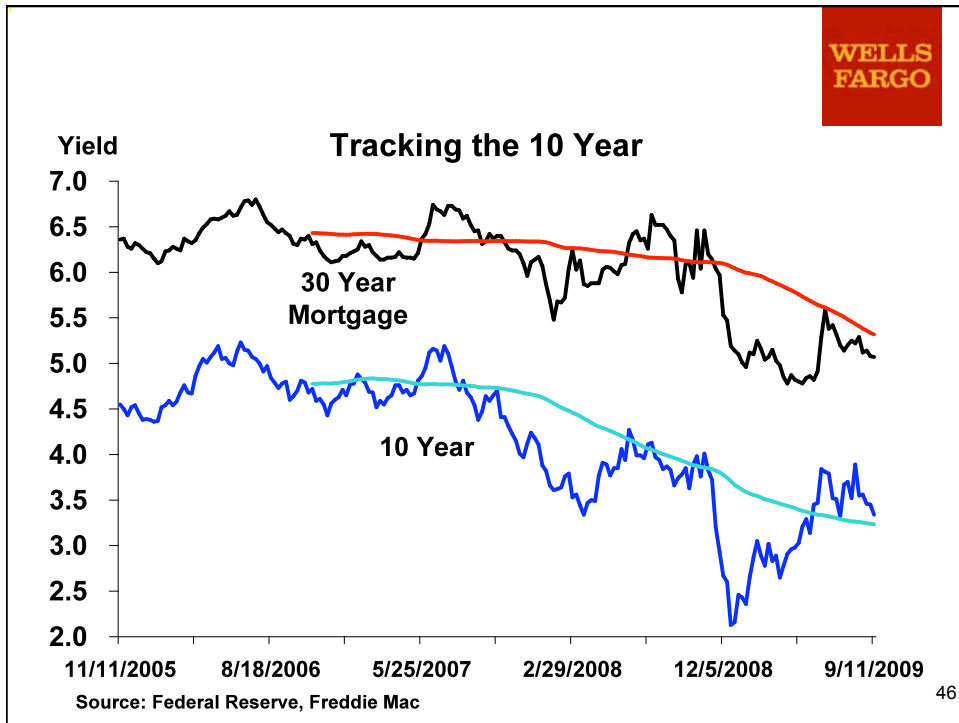
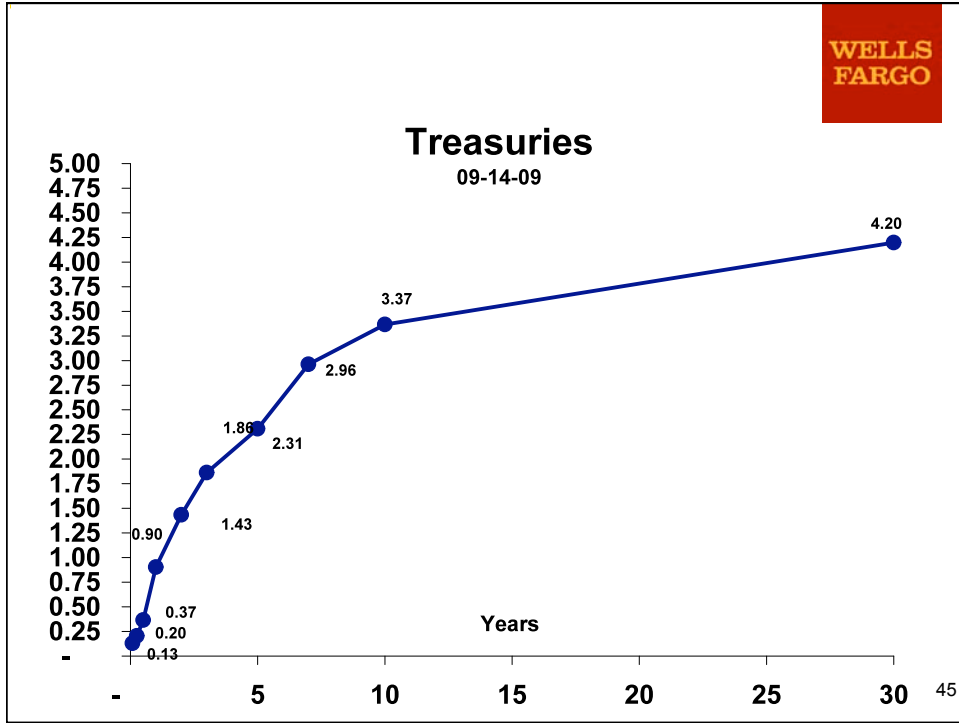




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**Thanks!**  
**Wells Fargo Economics**  
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**September 2009**  
<http://www.wellsfargo.com/com/research/economics>

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