

Americans are saving less...

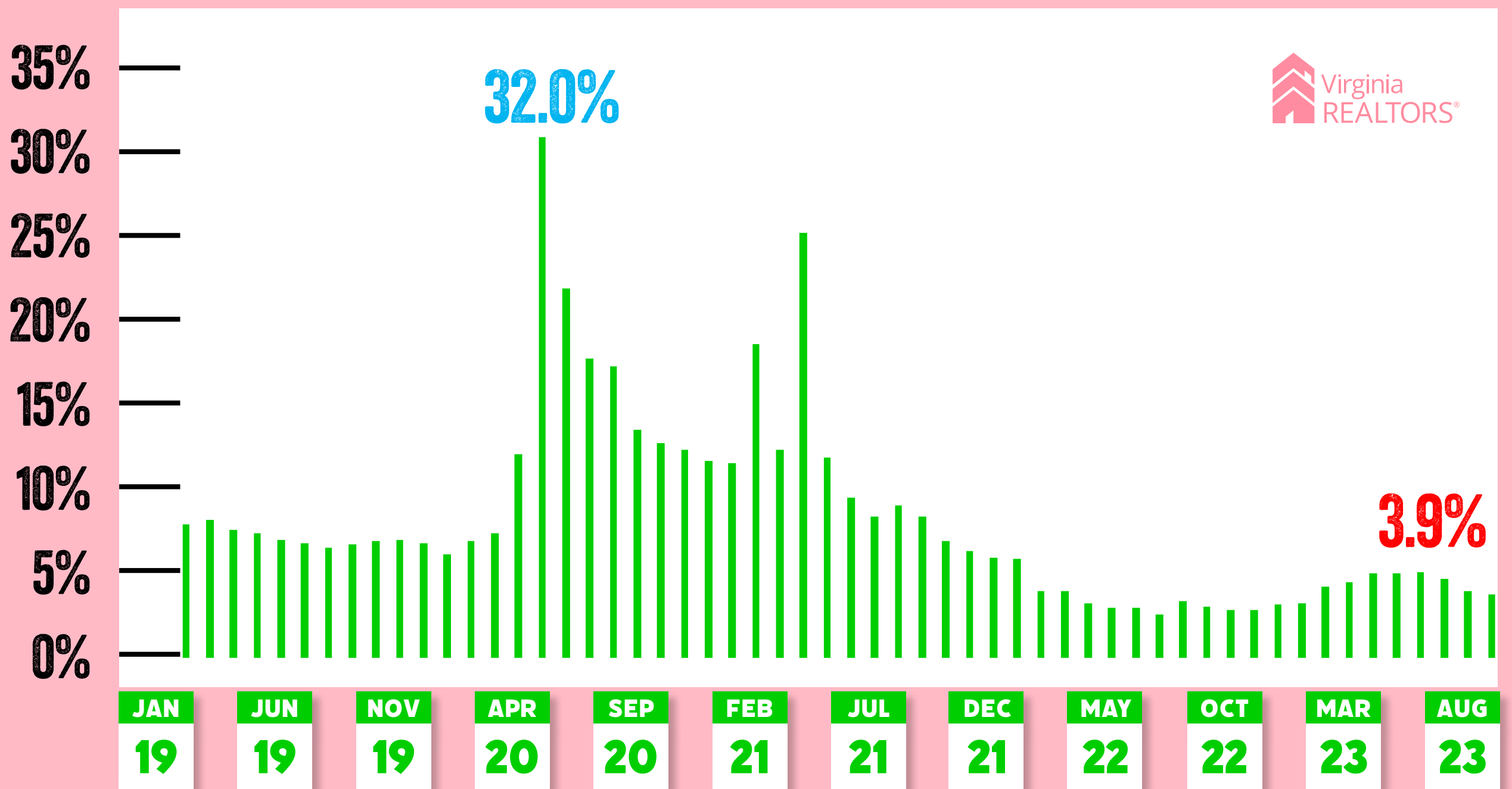
WHAT DOES THIS MEAN FOR THE HOUSING MARKET?

At the height of the pandemic, the personal savings rate in the US was at an all-time high of 32% as lock-downs curbed spending. Since then, consumer spending has been robust in America, driven by pent-up savings and climbing inflation. This has led to a much lower savings rate among Americans. In August 2023, the personal savings rate in the U.S. was just 3.9%.

If savings rates remain low, it could impact the ability of potential home buyers to accumulate enough for a downpayment, which would likely prompt many to delay their home-buying plans.



PERSONAL SAVINGS RATE



SOURCE: BUREAU OF ECONOMIC ANALYSIS, SEASONALLY ADJUSTED ANNUAL RATE