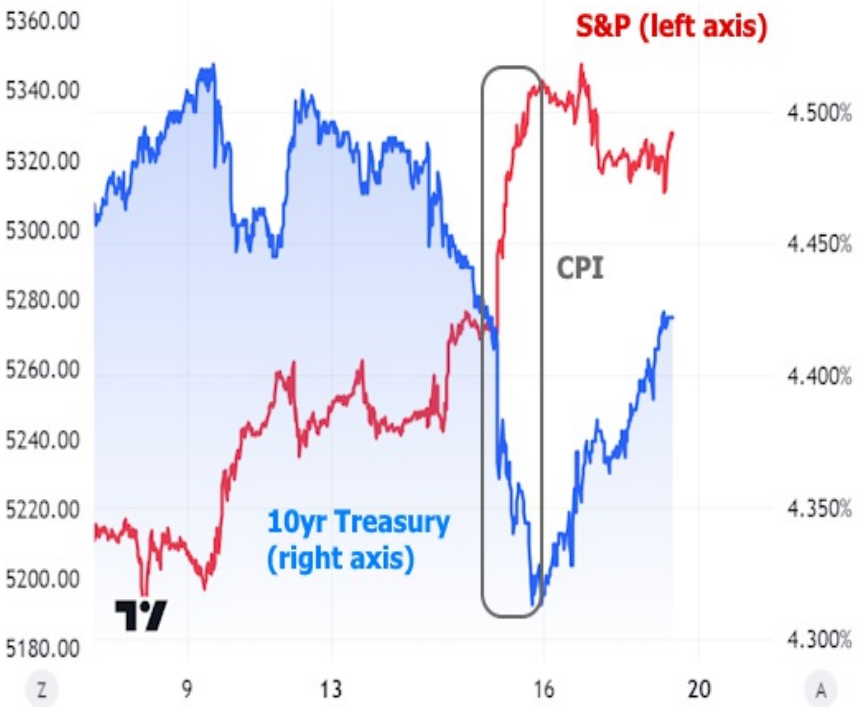


**Wesly Wilkerson**
Branch Manager, MortgageRight
NMLS #862840 - Licensed in AL, FL & GA
216 S. 8th Street Opelika, AL 36801

Mobile: 334-718-0280
wesly@mortgageright.com
View My Website

# Hotly Anticipated Inflation Data Keeps Hope Alive

As long as inflation is the top concern for financial markets, the Consumer Price Index (CPI) is the most important economic report on any given month and it came out this week. Stocks and bonds both improved sharply despite the results merely matching forecasts.




This is the reality of the market's current relationship with inflation: it's been so much higher for so much longer than expected that the absence of more bad news is actually good news.

To be fair, this report was definitely a bit better than the last with the most closely-watched metric (core, month-over-month) hitting its 0.3% forecast. That number matches the average reading over the past 12 months which is why the annual rate of core inflation remains well above its 2.0% target.

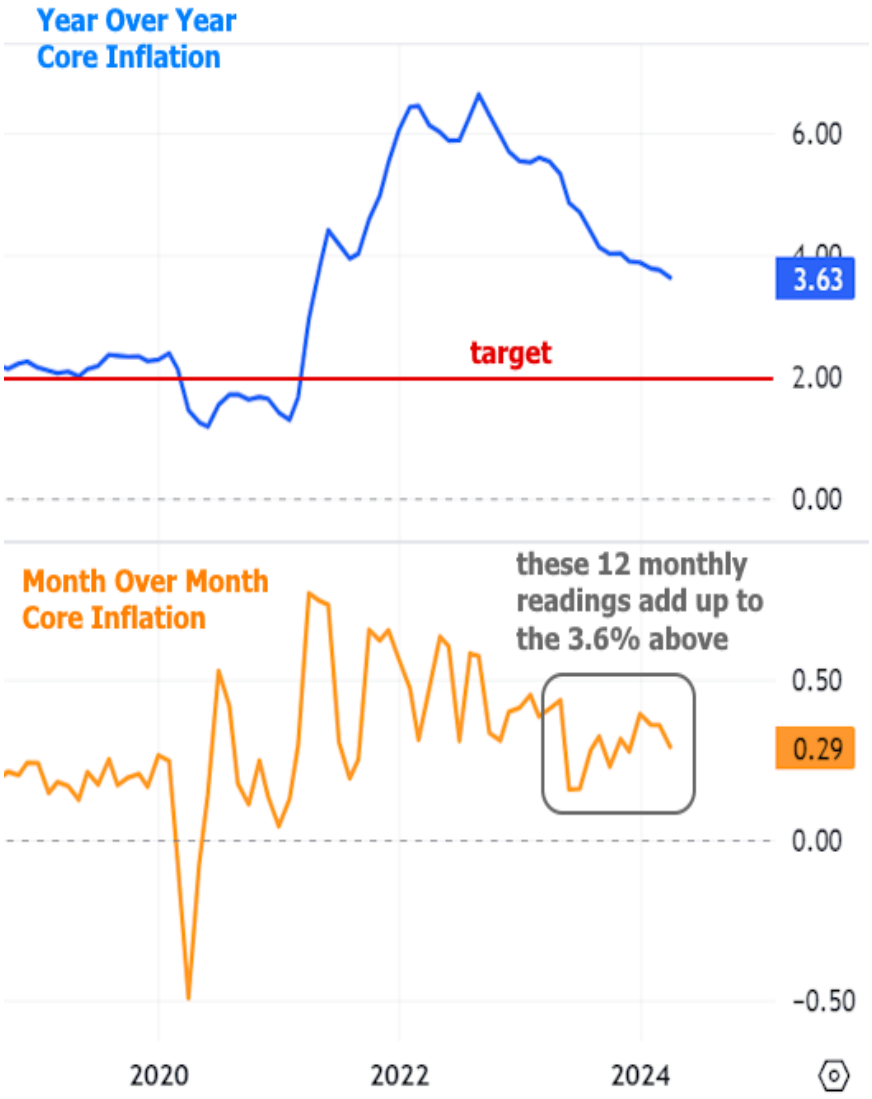
## Recent Housing Data

| | | Value | Change |
|---|---|---|---|
| Mortgage Apps | Oct 28 | 192.6 | -1.23% |
| Building Permits | Sep | 1.4M | +0.43% |
| Housing Starts | Sep | 1.22M | -4.24% |
| New Home Sales | Sep | 676K | -1.17% |
| Pending Home Sales | Aug | 71.2 | 0% |
| Existing Home Sales | Oct | 3.99M | +0.25% |
| Builder Confidence | Oct | 29 | -9.38% |

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

**Read or subscribe** to my newsletter online at: http://mortgagenewsletter.net/wesly-wilkerson




Core inflation ultimately needs to be down in the 0.1 to 0.2 range in month-over-month terms if the annual number is to hit the 2.0% target. But the Fed will be willing to cut rates before we officially hit 2.0% as long as the monthly data makes it seem highly likely.

Both the Fed and financial markets are also watching other parts of the inflation data for reassurance about further cooling. Among these, the metric measuring home payment inflation (Owners' Equivalent Rent or OER) is arguably at the top of the list. This makes sense considering it accounts for the largest portion of the most problematic inflation category.

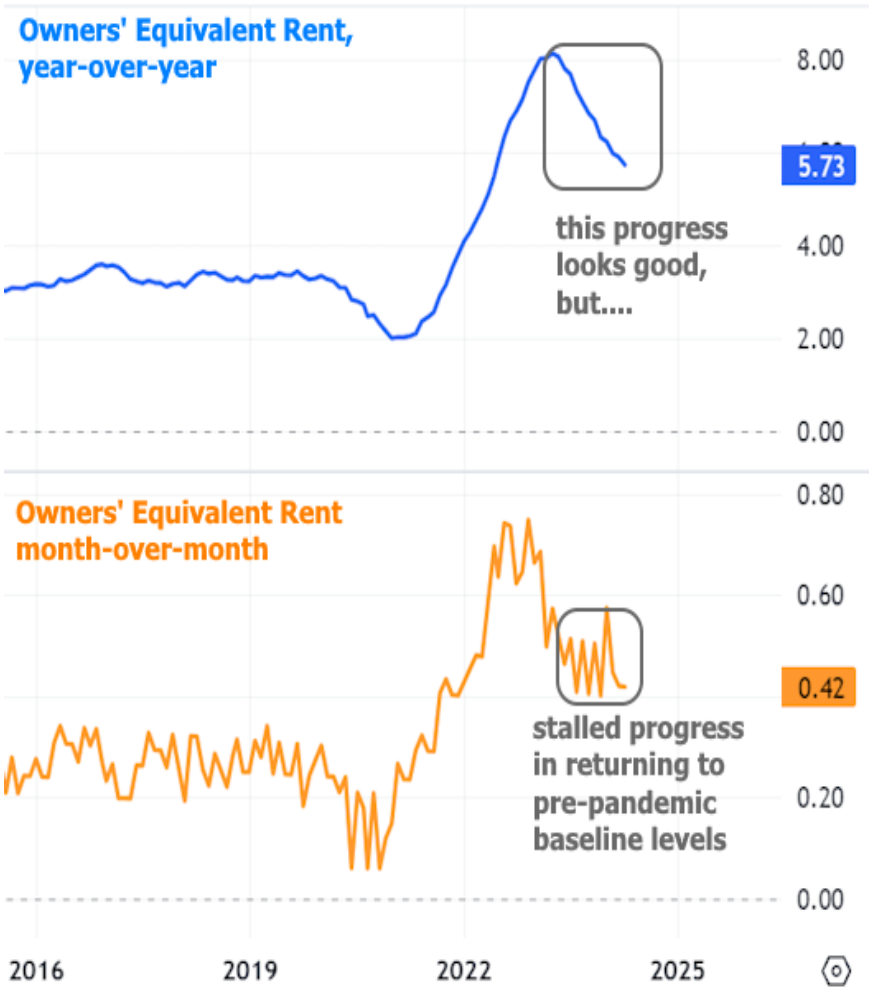
OER is also good to watch because it is more prone to gradual trends than other line items and it is also typically well-correlated with more timely rental data from private market sources. This allows for increased confidence that it will end up where it looks like it's headed. In fact, this belief is one reason that many market participants expected more progress in inflation by now.

OER **had been** moving in the right direction before unexpectedly pausing at elevated levels. This has been a source of confusion and consternation for market participants and Fed officials alike.

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

**Read or subscribe** to my newsletter online at: http://mortgagenewsletter.net/wesly-wilkerson



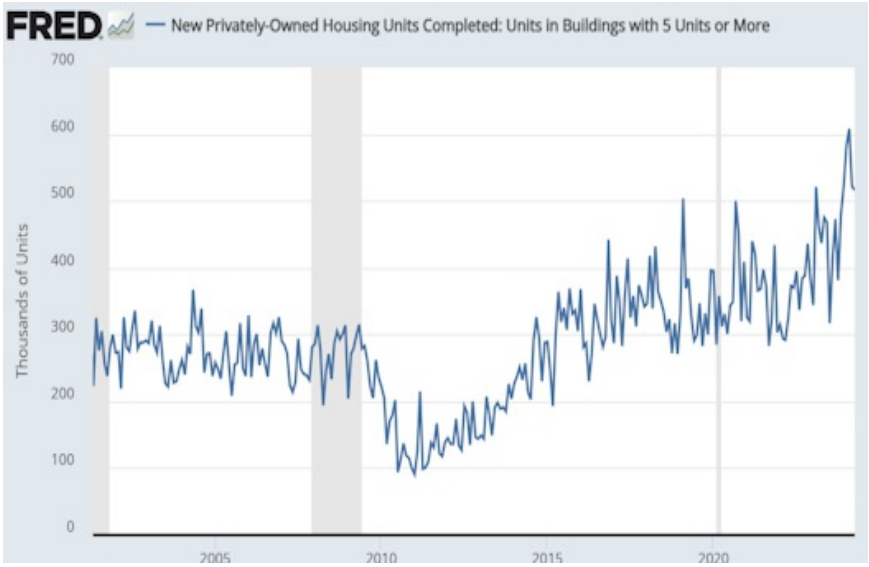

What will it take for OER to get over this stalled progress? There are several theories and/or factors, depending on whom you ask, but most answers include the factor of **time.**

Another important factor is the supply of housing--especially multi-family housing which has a more direct impact on rent price trends than other housing. In new data from the Census Bureau this week, multi-family residences were completed at one of the fastest paces in decades despite being just off recent highs.

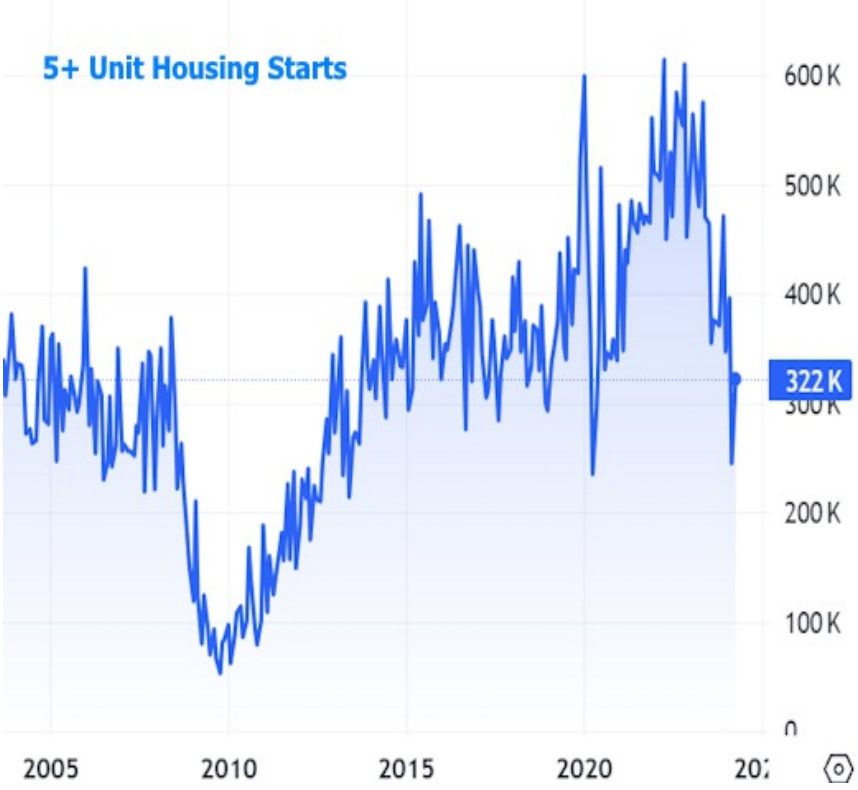
© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

**Read or subscribe** to my newsletter online at: http://mortgagenewsletter.net/wesly-wilkerson




The caveat is that new multi-family construction projects are breaking ground at much slower pace than a year ago. If "starts" are running at an annual pace of just over 300k, it's only a matter of time before completions are no longer able to remain in 500k+ territory.




The slower pace of new construction isn't specific to the multifamily sector. Even when looking at the all-inclusive numbers, building permits and housing starts have definitely been in a holding pattern as completions continue adding up.

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

**Read or subscribe** to my newsletter online at: http://mortgagenewsletter.net/wesly-wilkerson

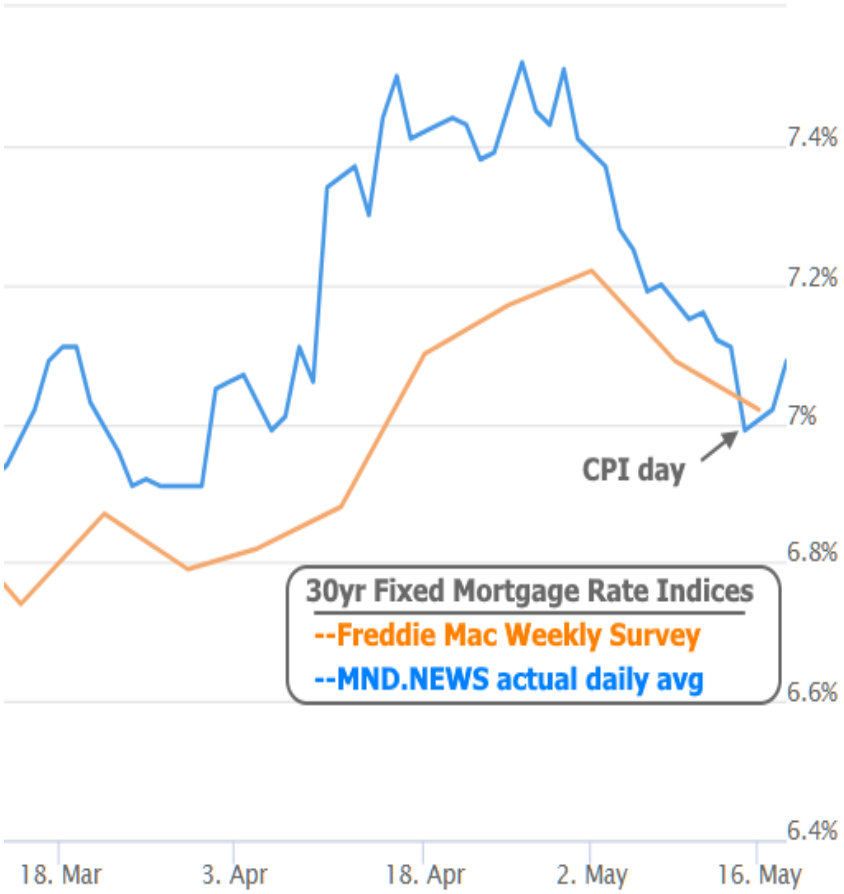



Analyzing housing supply in order to anticipate improvements in inflation data is forward-looking to say the least. Back in the present, mortgage rates ended the week much lower than last week despite some push-back on Thursday and Friday.

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

**Read or subscribe** to my newsletter online at: http://mortgagenewsletter.net/wesly-wilkerson




In other words, rates have pulled back only slightly after a solid winning streak. Granted, you could take an even longer term view and say rates only managed the winning streak because they were at their highest levels in more than 5 months by the end of April, but nobody likes a party pooper.

Either way, we are where we are now and we're only going to see meaningful improvement if big ticket inflation data moves back toward the Fed's 2% target. With that in mind, we don't really have any big ticket data until the first week of June. Between now and then, anything goes when it comes to market movement, but it probably won't go too far in either direction until the data returns.

The only real caveat for next week is the Fed. There will not be a new Fed announcement, but there are multiple speakers on the circuit as well as the release of the minutes from the most recent Fed meeting. If we had to guess, we'd say the market is already well aware of the Fed's current stance, but it's always prudent to consider potential volatility surrounding any major Fed communication.

Subscribe to my newsletter online at: http://mortgagenewsletter.net/wesly-wilkerson

## Recent Economic Data

| Date | Event | Actual | Forecast | Prior |
|---|---|---|---|---|
| **Monday, May 13** | | | | |
| 11:00AM | Apr Consumer Inflation Expectations | 3.3% | | 3% |
| **Tuesday, May 14** | | | | |
| 10:00AM | Powell at European Banking Conference | | | |

## Event Importance:

No Stars = Insignificant
☆ Low
★ Moderate
★★ Important
★★ Very Important

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

**Read or subscribe** to my newsletter online at: http://mortgagenewsletter.net/wesly-wilkerson

| Date | Event | Actual | Forecast | Prior |
|---|---|---|---|---|
| **Wednesday, May 15** | | | | |
| 7:00AM | May/10 MBA Refi Index | 499.9 | | 477.5 |
| 7:00AM | May/10 MBA Purchase Index | 141.7 | | 144.2 |
| 8:30AM | Apr y/y CORE CPI (%) | 3.6% | 3.6% | 3.8% |
| 8:30AM | Apr m/m CORE CPI (%) | 0.3% | 0.3% | 0.4% |
| 8:30AM | Apr Retail Sales (%) | 0% | 0.4% | 0.7% |
| 10:00AM | May NAHB housing market indx | 45 | 51 | 51 |
| **Thursday, May 16** | | | | |
| 8:30AM | Apr Housing starts number mm (ml) | 1.36M | 1.42M | 1.321M |
| 8:30AM | Apr Building permits: number (ml) | 1.440M | 1.48M | 1.467M |
| 8:30AM | May Philly Fed Business Index | 4.5 | 8 | 15.5 |
| 8:30AM | Apr Import prices mm (%) | 0.9% | 0.3% | 0.4% |
| 8:30AM | May/11 Jobless Claims (k) | 222K | 220K | 231K |
| 9:15AM | Apr Industrial Production (%) | 0% | 0.1% | 0.4% |
| **Friday, May 17** | | | | |
| 10:00AM | Apr CB Leading Index MoM (%) | -0.6% | -0.3% | -0.3% |
| **Wednesday, May 22** | | | | |
| 10:00AM | Apr Existing home sales (ml) | 4.14M | 4.21M | 4.19M |
| 2:00PM | FOMC Minutes | | | |
| **Thursday, May 23** | | | | |
| 8:30AM | May/18 Jobless Claims (k) | 215K | 220K | 222K |
| 9:45AM | May S&P Global Manuf. PMI | 50.9 | 50 | 50 |
| 9:45AM | May S&P Global Services PMI | 54.8 | 51.3 | 51.3 |
| **Friday, May 24** | | | | |
| 8:30AM | Apr Durable goods (%) | 0.7% | -0.8% | 2.6% |
| 10:00AM | May Consumer Sentiment (ip) | 69.1 | 67.5 | 77.2 |


## Mortgages Done the Right Way!

My goal is to make your home financing experience as easy as possible. With over 12 years experience in home financing and nearly 10 years experience in the IT field, I always seek to streamline the home financing experience. Whether a purchase or refinance, I have the knowledge, wisdom, and experience to get the job done quickly, efficiently and as painless as possible. My experience in Conventional, FHA, VA and USDA lending as well as new construction, foreclosures, condos, debt consolidation, HELOCs, Non-QM Lending and owner financing means I am can navigate each loan scenario with expertise. I offer great customer service, patience with new home buyers and a "never give up" attitude coupled with out-of-the-box thinking to get the job done. Please feel free to contact me via phone, text or email to discuss your financing needs.

**Wesly Wilkerson**




© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

**Read or subscribe** to my newsletter online at: http://mortgagenewsletter.net/wesly-wilkerson