Ginnie Mae
Our Guaranty Matters

GLOBAL MARKETS ANALYSIS REPORT

A Monthly Publication of Ginnie Mae's Office of Capital Markets

August 2024

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Inside this Month's Global Market Analysis Report...

The August 2024 *Highlights* explores Ginnie Mae's international investor engagement efforts, specifically covering the recent *Ginnie Mae Latin America and Caribbean Housing Finance Roundtable* co-hosted with the Inter-American Development Bank (IDB) in Mexico City. The *Highlights* dive into engagement details, explaining how investors, housing finance experts, and key stakeholders from across the region address the development of sustainable, affordable housing markets. Lastly, the *Highlights* section mentions Ginnie Mae's upcoming international investor engagement efforts in Asia.

Notable insights in this month's Global Market Analysis Report include the following:

- The Fixed Income Product Performance Comparisons section shows that Ginnie Mae mortgage-backed securities (MBS) continue to offer attractive yields relative to sovereigns with comparable durations globally.
- The Single-Family MBS Pass-Through Issuance section captures the leading role government lending/mortgage insurance programs are playing in the post-pandemic mortgage market. Gross and net issuance of Single-Family Ginnie Mae pass-throughs exceeds that of both Fannie Mae and Freddie Mac.
- The SOMA Holdings section captures FED Chair Jerome Powell's comments regarding the FED's decision to keep the policy rate unchanged and the Fed's future path of interest rates.
- The Housing Affordability - Affordability Index section shows how homebuyer affordability has decreased for families purchasing median priced homes. Accordingly, the new homebuyer monthly payment figure shows how monthly payments have been increasing for first-time homebuyers.

Highlights

In July 2024, senior leadership from Ginnie Mae and the U.S. Department of Housing and Urban Development (HUD) conducted a strategic international investor engagement in Mexico City, focused on strengthening international partnerships and expanding the global footprint of institutional investors holding Ginnie Mae MBS. This multi-day visit included co-hosting a housing finance roundtable, providing key U.S. policy insights, and meeting with leading stakeholders and institutional investors from the Latin American financial and housing sectors.

Building on the momentum from the inaugural U.S.-Latin America Investor Roundtable in March, Ginnie Mae co-hosted the Latin America and Caribbean Housing Finance Roundtable in collaboration with the Inter-American Development Bank (IDB) on July 24th. The event, held at the Bolsa Mexicana de Valores (BMV), gathered investors, housing finance experts, and key stakeholders from across the region to address development of sustainable, affordable housing markets.

The roundtable featured two key panels: Global Demand for Mortgage-Backed Securities: An International Perspective and Green Bonds and Financing for Sustainable Development: Best Practices from Around the Region. The event featured panelists and participants from leading organizations including AMAFORE, Bank of America, the Canada Mortgage and Housing Corporation, Fannie Mae, HSBC, the Mexican Association of Banks, IDB Invest, Infonavit, MSCI, Santander, and Vinte Vivendas Integrales. Notable guest speakers included Roman Meyer Falcón, Mexican Secretary of Agrarian, Land, and Urban Development (SEDATU); Jorge Alegría, CEO of BMV; and Solomon Greene, HUD's Principal Deputy Assistant Secretary (PDAS) of Policy Development and Research.

The second panel explored the evolving landscape of green bonds, green mortgages, and sustainable development funding vehicles, including discussion of how different nations are building ecosystems to promote sustainable development. Panelists shared insights on the origination of green mortgages and the issuance of green bonds in their respective countries, posing how financial institutions and governments can collaborate to design financing programs that encourage sustainable investments. They examined the impact of emerging disclosure regulations on green bond issuance, noting how these regulations are reshaping the behavior of institutional investors who hold sustainable investment portfolios. Discussions also covered the role of using sustainable materials in residential construction and the importance of fostering a regulatory environment that supports the growth of green financing initiatives.

As global sustainable bond issuance was estimated at over $900 billion in 2023, participants questioned how market participants accelerate the development of the ecosystem around the production of green mortgages and sustainable financing. They explored barriers to financing for sustainable development, such as regulatory complexities and market readiness, while identifying innovative financial tools and strategies that have successfully expanded access to green financing. Panelists also offered insights on how regulators, guarantors, and government entities can further promote sustainable development by enhancing support for green initiatives and reducing financing obstacles.

“These engagements are vital for expanding Ginnie Mae’s global investor base and aligning with international market trends,” noted Ginnie Mae Acting President Sam Valverde. “By convening investors and thought leaders across Latin America, we are not only building relationships but also driving conversations on how capital markets can be leveraged to achieve meaningful social impact.”

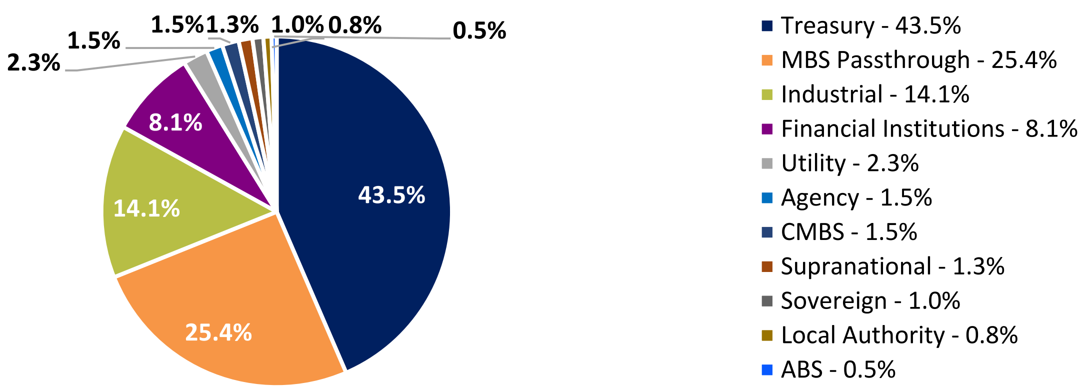
Looking ahead, Ginnie Mae will continue its international engagement with a planned trip to Singapore and Tokyo in September 2024. In Tokyo, Acting President Valverde will participate in a Fireside Chat hosted by Barclays, while senior leadership will engage with key institutions, investors, and housing sector leaders in both cities. East Asia has consistently played a dominant role in the demand for Ginnie Mae securities, and the engagements aim to strengthen relationships and provide deeper insights into investor perspectives in the region. By actively engaging global markets, Ginnie Mae is reinforcing its commitment to aligning capital with impactful housing solutions and ensuring that its investors are well-positioned to support sustainable, inclusive growth worldwide.

1 US AGGREGATE AND GLOBAL INDICES

1.1 Bloomberg US Aggregate and Global Indices

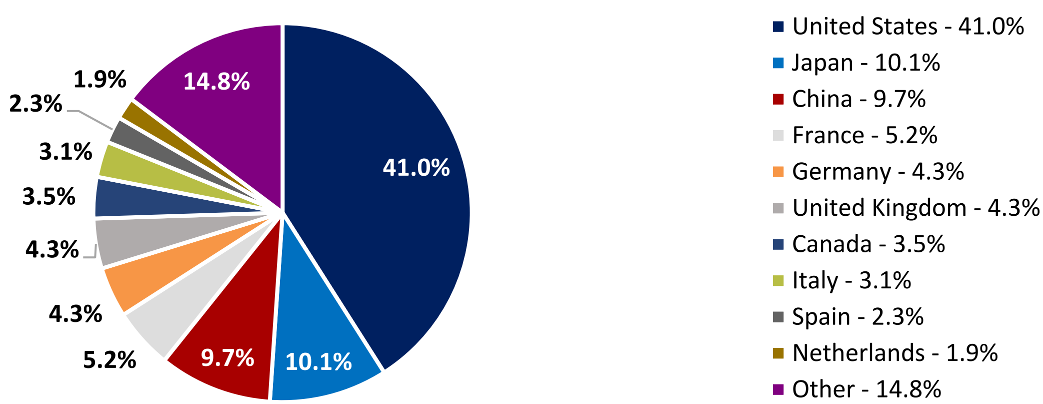
At month-end July, U.S. Treasuries contributed 43.5% to the Bloomberg U.S. Aggregate Index, increasing approximately 0.6% from the month prior. U.S. Agency MBS Passthrough (Ginnie Mae, Fannie Mae, and Freddie Mac) contributed 25.4%, decreasing approximately 0.1% from the month prior. Industrials represented 14.1% of the index as of month-end July, decreasing approximately 0.1% from the month prior. Agency securities also saw a change in its contribution to the index, decreasing 0.15% from the previous month to 1.5%. All other changes in the U.S. Aggregate Index were no larger than 0.1%.

Figure 1. Bloomberg U.S. Aggregate Index



In the Bloomberg Global Aggregate Index by Country, the U.S. share of fixed income remained the largest share of total outstanding issuance, representing 41.0% of the total index, remaining constant from the prior month. Japan's share of fixed income was the second largest with 10.1% at month end of July 2024. China's share was the third largest at 9.7% as of month end July 2024. Japan's share of fixed income increased approximately 0.3% while China's share decreased 0.1% from the month prior. All other countries listed remained stable compared to the prior month with no changes larger than 0.1%.

Figure 2. Bloomberg Global Aggregate Index by Country



Source: Bloomberg [both charts]. Note: Data as of July 2024. Figures in charts may not add to 100% due to rounding.

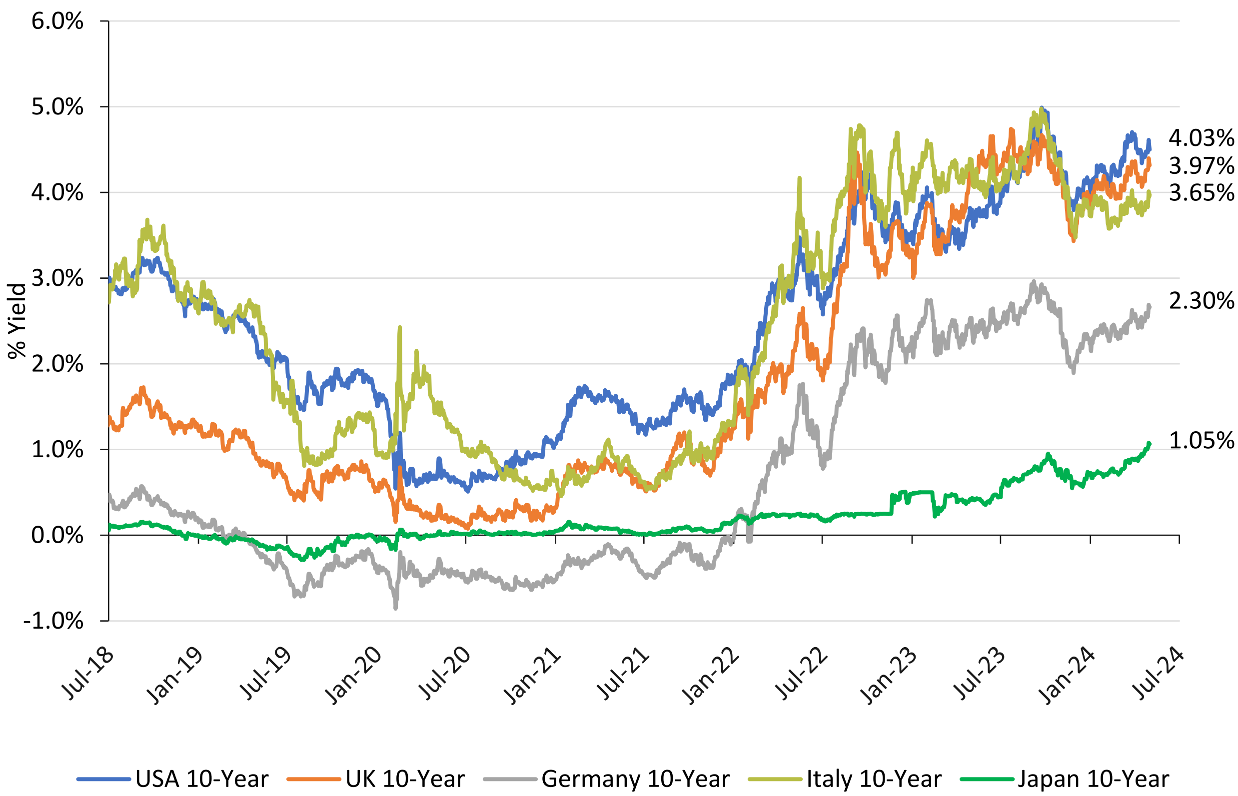
2 SOVEREIGN DEBT PRODUCT PERFORMANCE COMPARISONS

2.1 Global 10-Year Treasury Yields (Unhedged)

The U.S. 10-year Treasury yield moved to 4.03% at month-end July 2024, a month to month (MtM) decrease of 37 bps. Since October 2023, U.S. 10-year Treasury note rates have marked the highest government yield amongst the countries listed below. UK, German and Italian month-end yields decreased from the previous month while the Japanese yield stayed the same.

- The yield on the UK 10-year note decreased to 3.97% at month-end July, a MtM decrease of 20 bps.
- The yield on the German 10-year note decreased to 2.30% at month-end July, a MtM decrease of 20 bps.
- The yield on the Italian 10-year note increased to 3.65% at month-end July, a MtM decrease of 42 bps.
- The yield on the Japanese 10-year note stayed constant at 1.05% at month-end July.

Figure 3. Global 10-Year Treasury Yields



Source: Bloomberg. Note: Data as of July 2024.

2.2 U.S. Treasury Hedged Yields

- The yield for the 10-year Treasury, hedged in Japanese Yen (JPY) stood at -0.44% at month-end July, a 9 bp increase from month-end June.
- The yield for the 10-year Treasury, hedged in Euros (EUR) stood at 2.39% at month-end July, a 27 bp decrease from month-end June.

Figure 4. U.S. 10 yr Total Return Hedged, 1 yr JPY

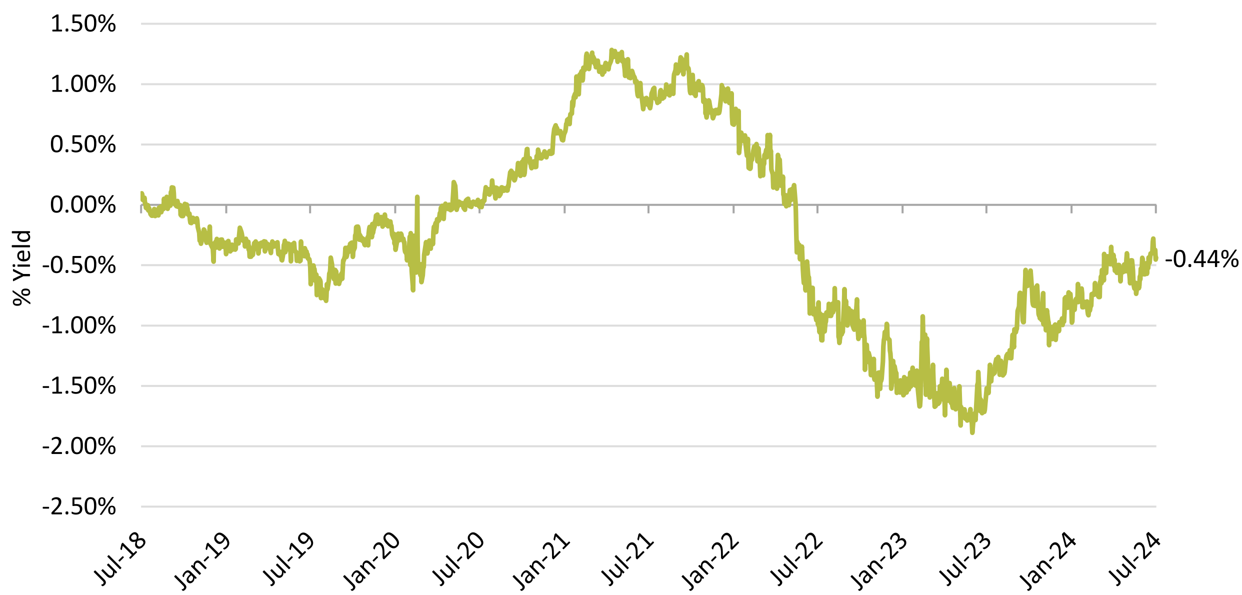
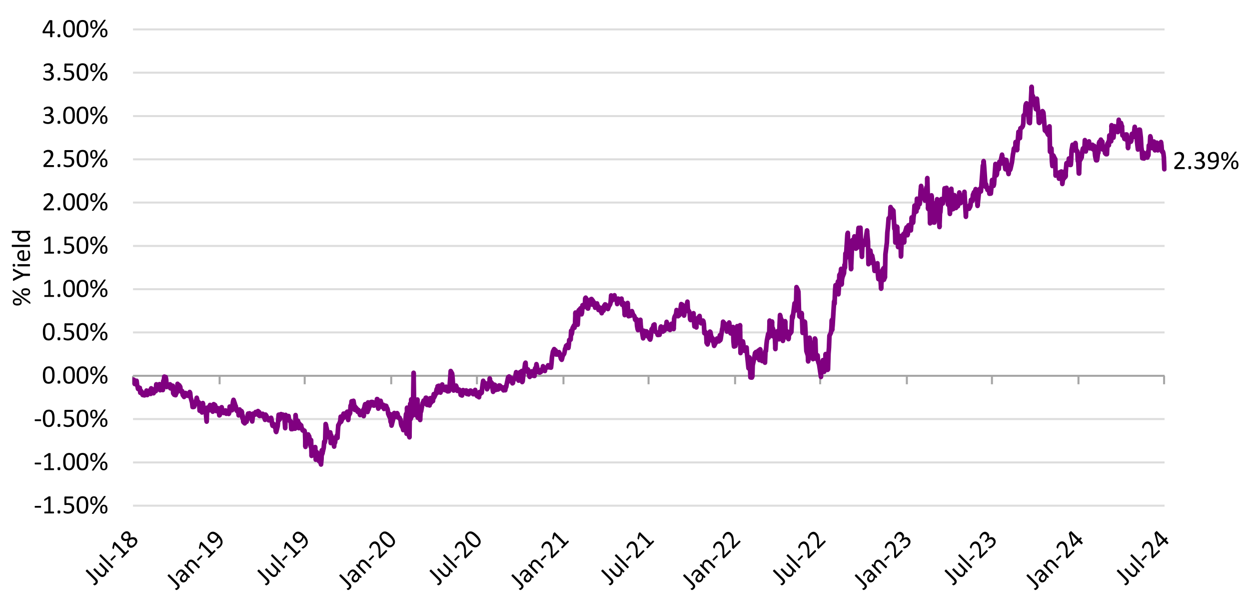


Figure 5. U.S. 10 yr Total Return Hedged, 1 yr EUR



Source: Bloomberg. Notes: Data as of July 2024. The 10 yr Total Return Hedged Yields are calculated by taking the 10 yr treasury yield and subtracting the 1 yr hedge cost for JPY and EUR.

SECONDARY MORTGAGE MARKET

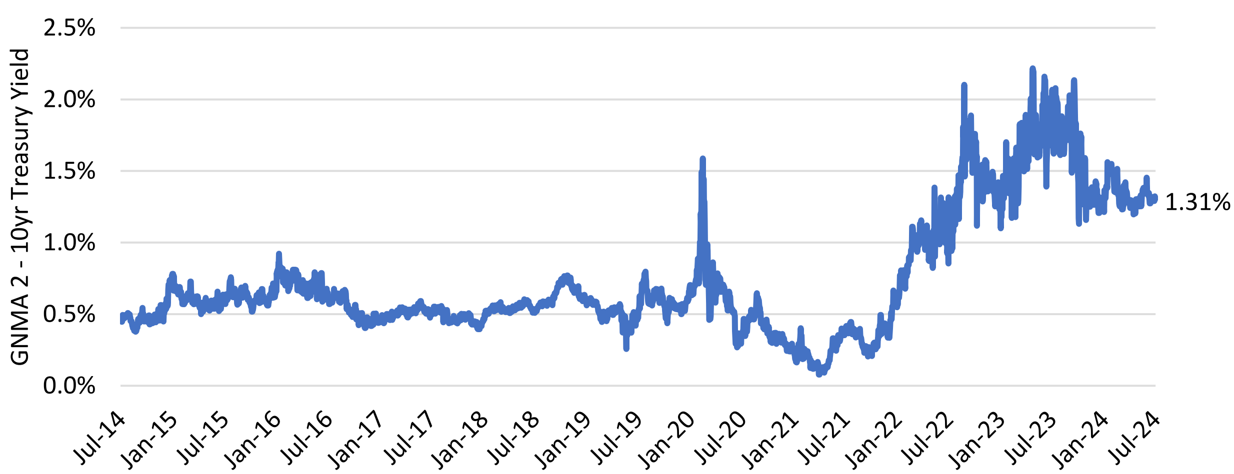
3 FIXED INCOME PRODUCT PERFORMANCE COMPARISONS

3.1 Ginnie Mae Yields – USD

Ginnie Mae II yields were 5.76% at month-end May, increased 16 bps to 5.92% at month-end June, then decreased 64 bps to 5.28% at month-end July. The Ginnie Mae II spread over the U.S. 10-year Treasury yield decreased 55 bps from 186 bps in July 2023 to 131 bps over the U.S. 10-year Treasury yield as of month-end July 2024.

Figure 6. Ginnie Mae II SF Yield, USD

Figure 7. Ginnie Mae II SF Yield – U.S. 10yr Treasury Yield



Source: Bloomberg. Note: Data as of July 2024.

3.2 Ginnie Mae Hedged Yields

The yield for Ginnie Mae II's, hedged in Japanese Yen stood at 0.88% at month-end July, a 4 bp increase from month-end June. The hedged yield is approximately 17 bps lower than the Japanese 10-year yield as of month-end July 2024.

The yield for Ginnie Mae II's, hedged in Euros stood at 3.70% at month-end July, a 33 bp decrease from month-end June. The hedged yield is approximately 140 bps higher than the German 10-year yield, and 5 bps higher than the Italian 10-year yield as of month-end July.

Figure 8. Ginnie Mae II Hedged, 1 yr. JPY

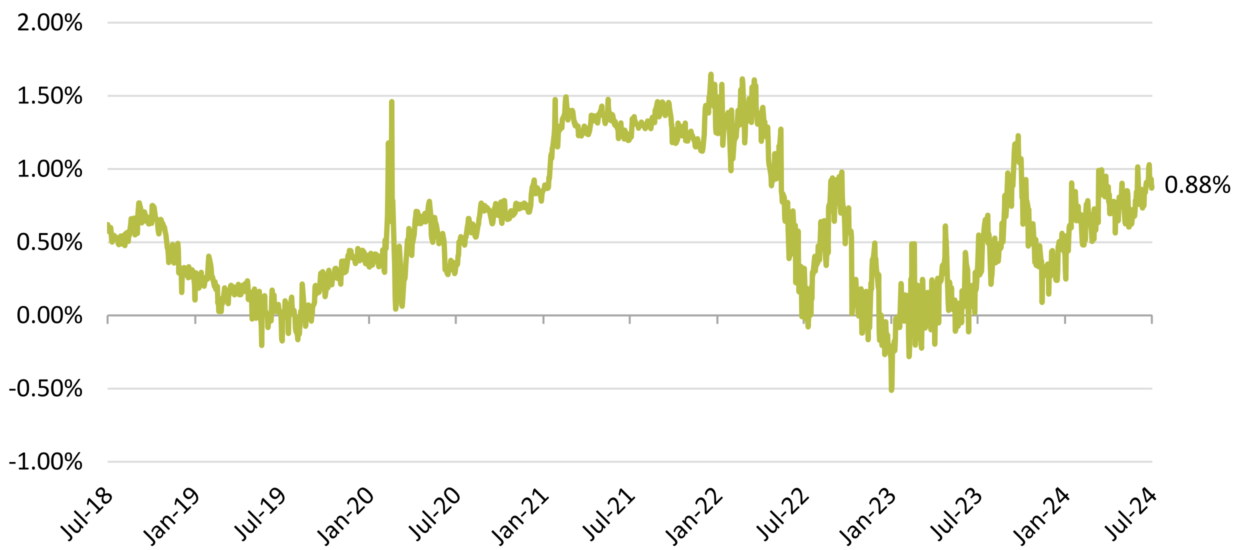


Figure 9. Ginnie Mae II Hedged, 1 yr. EUR

Source: Bloomberg. Notes: Data as of July 2024. The Ginnie Mae II Hedged Yields are calculated by taking the Ginnie Mae II Yield and subtracting the 1yr hedge cost for JPY and EUR.

3.3 Ginnie Mae Yield Spreads – Intermediate Credit

The GNMA II 30-year OAS stayed constant at 0.42%, as of month-end July. The U.S. Intermediate Credit OAS stayed constant at 0.75% from month-end June to month-end July. The yield differential between U.S. Intermediate Credit and GNMA II 30-year OAS stayed constant at 0.33% at month-end July.

Figure 10. U.S. GNMA II 30yr MBS OAS versus U.S. Intermediate Credit OAS

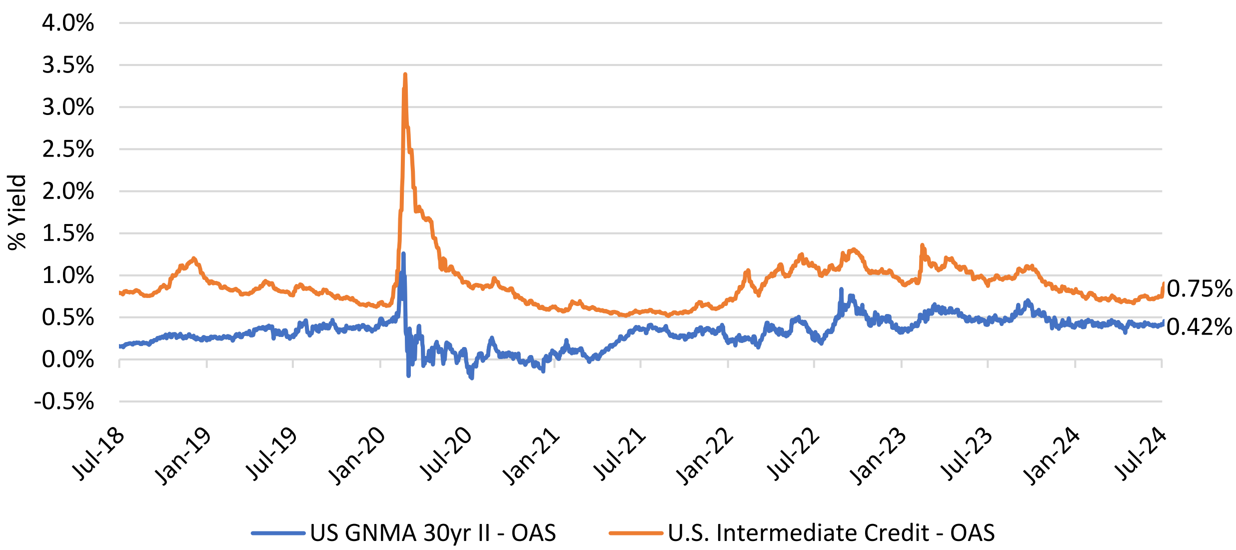


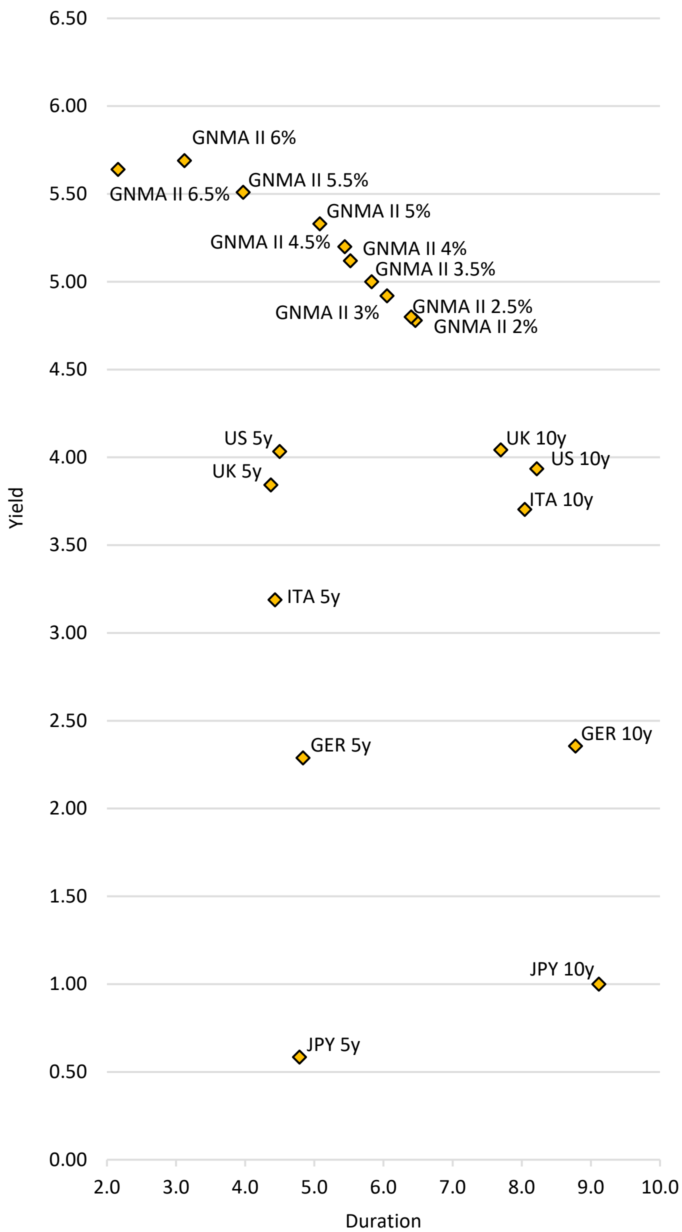
Figure 11. Spread between U.S. Intermediate Credit and U.S. GNMA II 30yr MBS OAS

Source: Bloomberg. Note: Data as of July 2024.

3.4 Global Treasury Yield Per Duration

Ginnie Mae MBS continues to offer a higher yield in comparison to other government fixed income securities of various tenors with similar or longer duration. Prepayment risk is a feature of MBS.

Figure 12. Yield vs. Duration



Security	Duration	Yield (%)
U.S. 5y	4.50	4.03
U.S. 10y	8.22	3.94
JPY 5y	4.78	0.59
JPY 10y	9.11	1.00
GER 5y	4.84	2.29
GER 10y	8.78	2.36
ITA 5y	4.43	3.19
ITA 10y	8.04	3.70
UK 5y	4.37	3.84
UK 10y	7.70	4.04
GNMA II 2%	6.46	4.78
GNMA II 2.5%	6.40	4.80
GNMA II 3%	6.05	4.92
GNMA II 3.5%	5.83	5.00
GNMA II 4%	5.52	5.12
GNMA II 4.5%	5.44	5.20
GNMA II 5%	5.08	5.33
GNMA II 5.5%	3.97	5.51
GNMA II 6%	3.12	5.69
GNMA II 6.5%	2.16	5.64

Source: Bloomberg. Note: Yield and modified duration for GNMA II securities is based on median prepayment assumptions from surveyed Bloomberg participants. All data is as of July 2024. Yields are in base currency of security, unhedged and rounded to nearest bp.

4 PREPAYMENTS

4.1 Aggregate Prepayments (CPR)

Freddie Mac's fixed rate aggregate prepayment speeds increased by 0.5% MtM from June 2024 to July 2024. Similarly, Fannie Mae CPRs increased by 0.5% MtM and Ginnie Mae's CPRs increased by 1.1% MtM. ARM prepayments saw increases of 2.1% MtM for Freddie Mac and 2.0% MtM for Fannie Mae, while Ginnie Mae saw a decrease of 3.8%.

Figure 13. Fixed Rate Aggregate 1-Month CPR

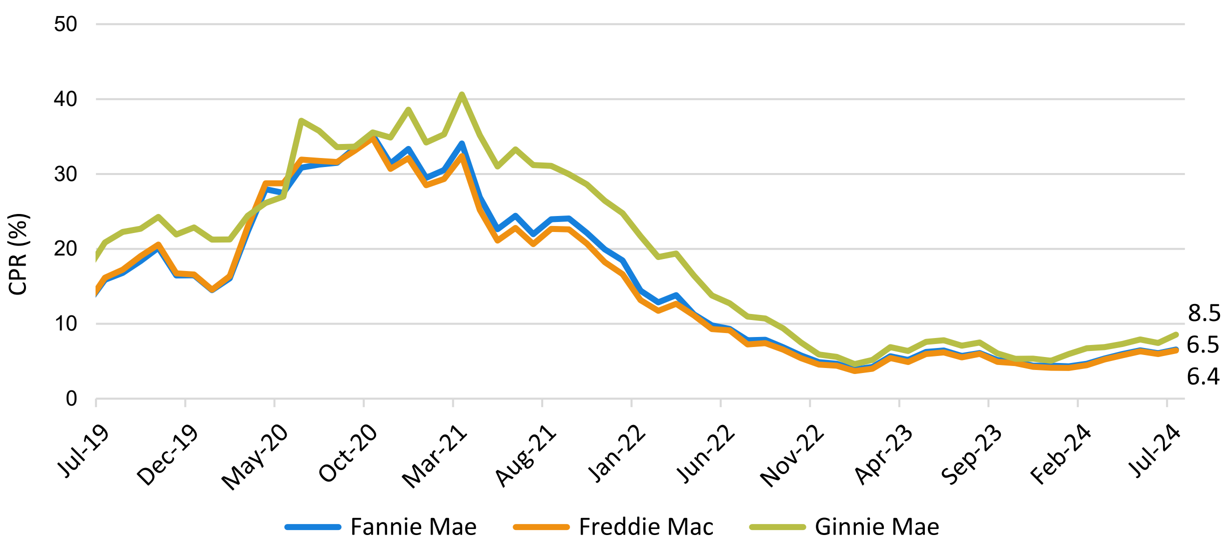
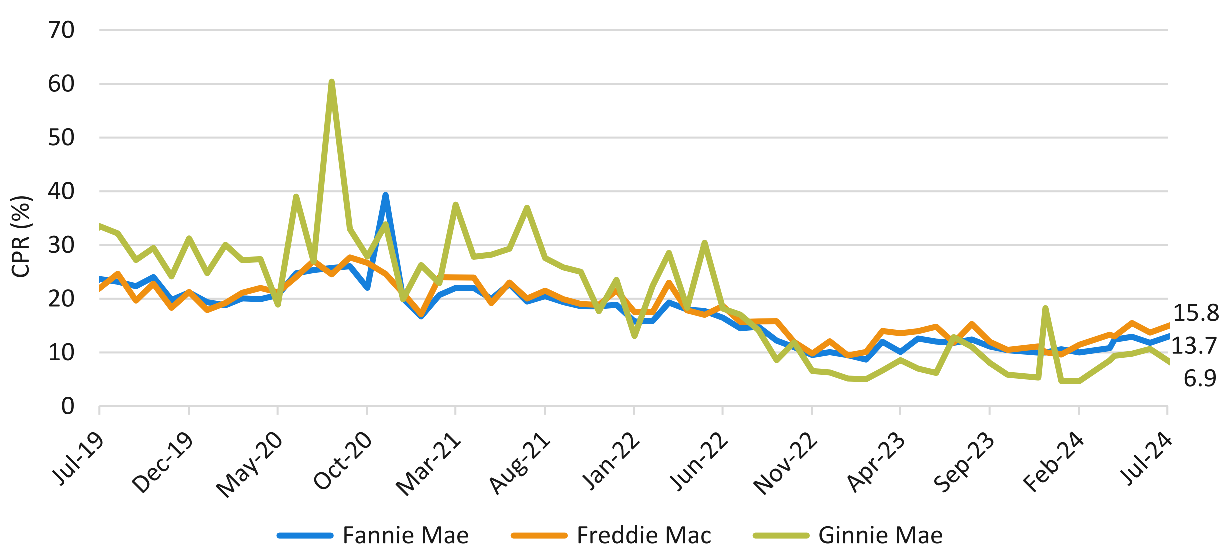


Figure 14. ARM Aggregate 1-Month CPR



Source: Recursion. Note: Data as of July 2024.

4.2 Involuntary Prepayments (CDR)

Fixed rate involuntary prepayments (CDR) remained higher for Ginnie Mae than for the GSEs. The spread in prepayment speeds between Ginnie Mae and GSE prepayments has converged significantly since Ginnie Mae's peak of 12.4 CDR in June 2020. ARM CDRs for Freddie Mac continued to remain below Ginnie Mae as of month-end July 2024 after slightly overtaking Ginnie Mae in September 2022.

Figure 15. Fixed Rate Aggregate CDR

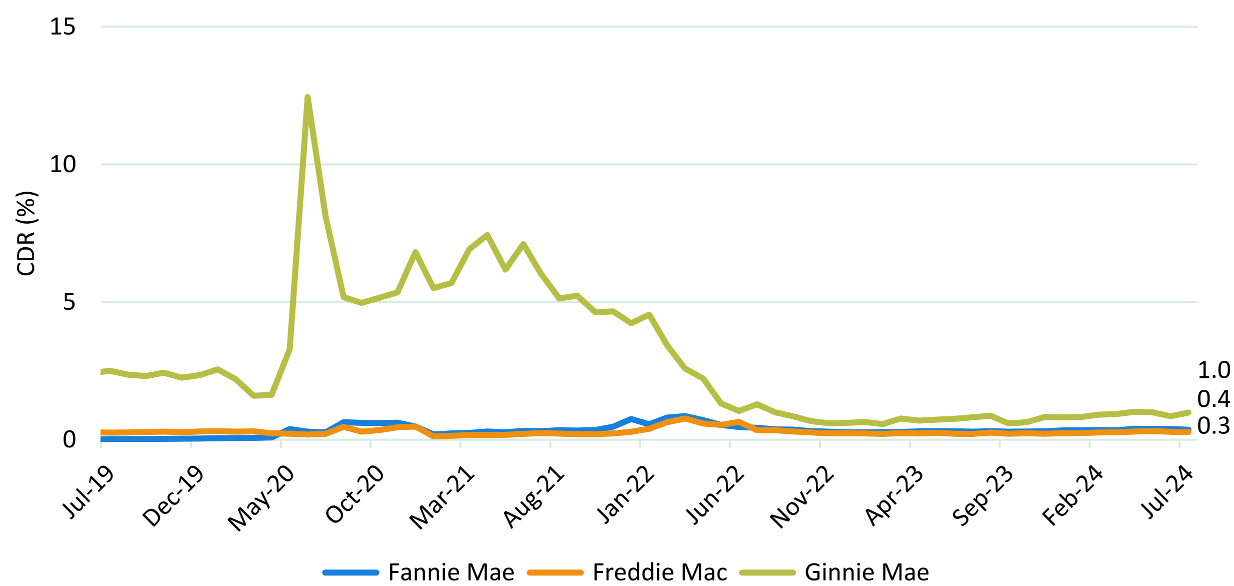
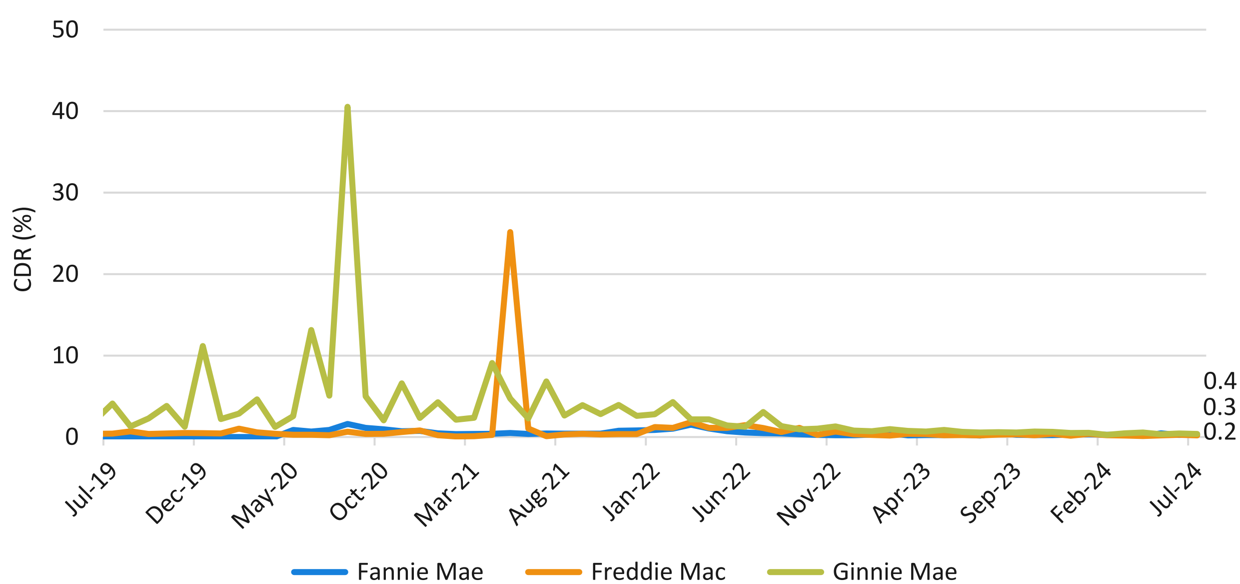


Figure 16. ARM Aggregate CDR



Source: Recursion. Note: Data as of July 2024.

4.3 Voluntary Prepayment Rates (CRR)

Fixed rate voluntary prepayments were higher for Ginnie Mae than Fannie Mae and Freddie Mac. Fannie Mae and Freddie Mac saw increases of 0.5% MtM in fixed rate aggregate CRR. Freddie Mac saw a 2.2% increase MtM in ARM aggregate CRR while Fannie Mae saw a 1.9% increase MtM. Ginnie Mae's fixed rate aggregate CRR increased by 1.0% MtM while ARM aggregate CRR decreased by 3.7% MtM.

Figure 17. Fixed Rate Aggregate CRR

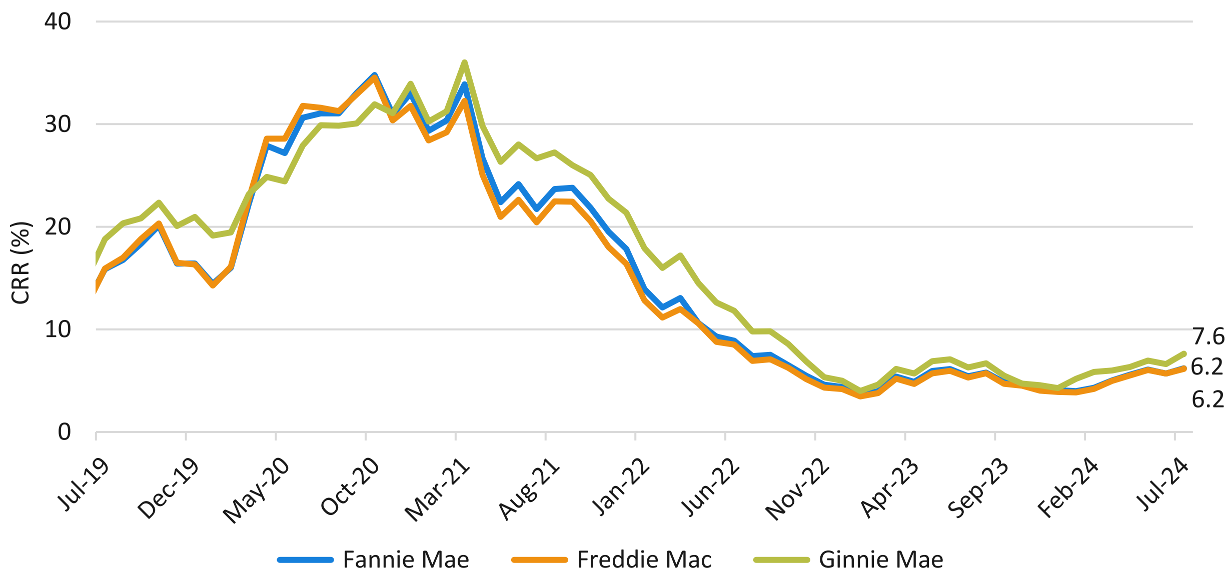
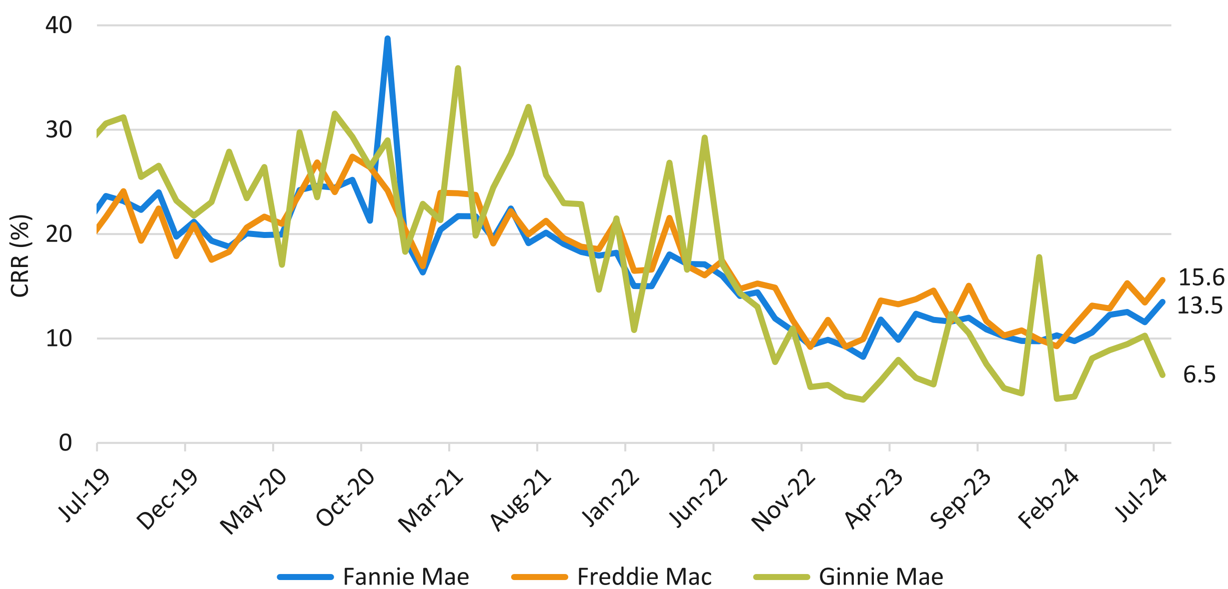


Figure 18. ARM Aggregate CRR



Source: Recursion. Note: Data as of July 2024.

5 SINGLE-FAMILY MBS PASS-THROUGH ISSUANCE

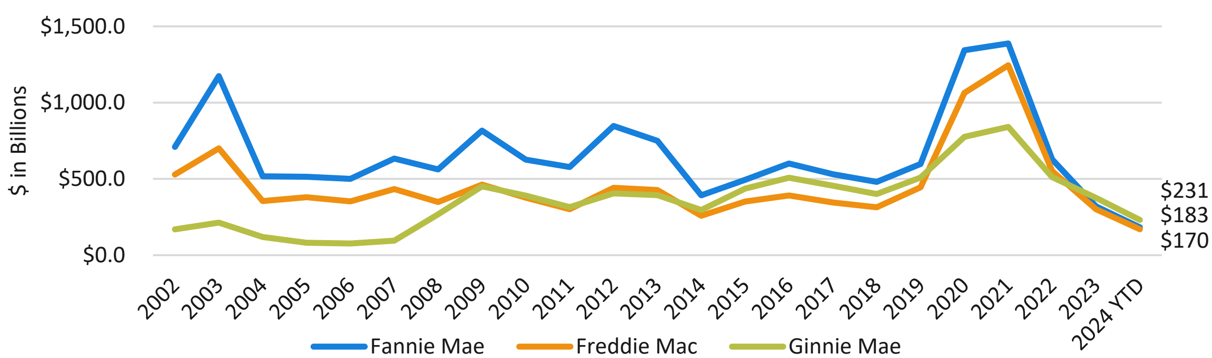
5.1 Gross Issuance of Agency MBS

In July 2024, total gross MBS issuance increased by approximately $1.5 billion MtM. Freddie Mac and Fannie Mae both decreased $0.7 billion MtM, while Ginnie Mae saw a $2.9 billion MtM increase in gross issuance.

Table 1. Agency Gross Issuance ($ in billions)

Issuance Year	Fannie Mae	Freddie Mac	GSE Total	Ginnie Mae	Total
2002	$710.0	$529.0	$1,238.9	$169.0	$1,407.9
2003	$1,174.4	$700.5	$1,874.9	$213.1	$2,088.0
2004	$517.5	$355.2	$872.6	$119.2	$991.9
2005	$514.1	$379.9	$894.0	$81.4	$975.3
2006	$500.2	$352.9	$853.0	$76.7	$929.7
2007	$633.0	$433.3	$1,066.2	$94.9	$1,161.1
2008	$562.7	$348.7	$911.4	$267.6	$1,179.0
2009	$817.1	$462.9	$1,280.0	$451.3	$1,731.3
2010	$626.6	$377.0	$1,003.5	$390.7	$1,394.3
2011	$578.2	$301.2	$879.3	$315.3	$1,194.7
2012	$847.6	$441.3	$1,288.8	$405.0	$1,693.8
2013	$749.9	$426.7	$1,176.6	$393.6	$1,570.2
2014	$392.9	$258.0	$650.9	$296.3	$947.2
2015	$493.9	$351.9	$845.7	$436.3	$1,282.0
2016	$600.5	$391.1	$991.6	$508.2	$1,499.8
2017	$531.3	$345.9	$877.3	$455.6	$1,332.9
2018	$480.9	$314.1	$795.0	$400.6	$1,195.6
2019	$597.4	$445.2	$1,042.6	$508.6	$1,551.2
2020	$1,343.4	$1,064.1	$2,407.5	$775.4	$3,182.9
2021	$1,388.0	$1,245.1	$2,633.1	$840.9	$3,474.0
2022	$628.3	$551.6	$1,179.9	$512.3	$1,692.2
2023	$320.3	$301.4	$621.8	$375.5	$997.3
2024 YTD	$182.7	$169.9	$352.6	$230.9	$583.5

Figure 19. Agency Gross Issuance

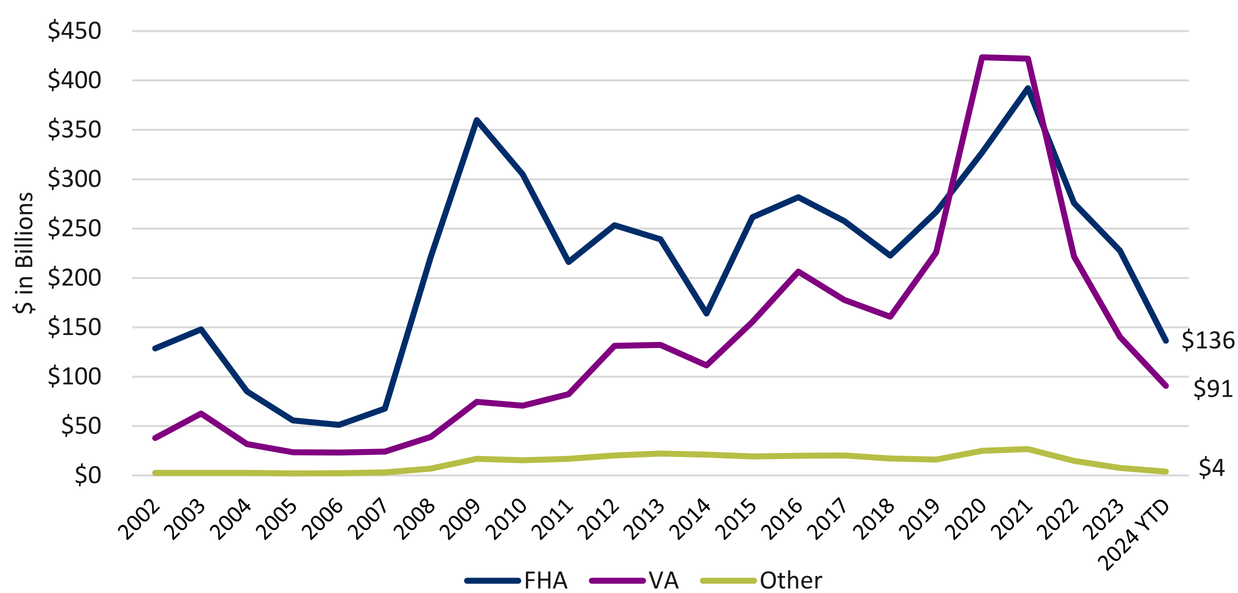


Source: Recursion. Note: Numbers are rounded to the nearest hundred million. For sums, like "GSE Total", the values are rounded after the exact underlying values are summed. As a result, some sums may not appear to match the sum of their rounded component values.

Table 2. Ginnie Mae Gross Issuance Collateral Composition ($ in billions)

Issuance Year	FHA	VA	Other	Total
2002	$128.6	$37.9	$2.5	$169.0
2003	$147.9	$62.7	$2.5	$213.1
2004	$85.0	$31.8	$2.5	$119.2
2005	$55.7	$23.5	$2.1	$81.4
2006	$51.2	$23.2	$2.3	$76.7
2007	$67.7	$24.2	$3.0	$94.9
2008	$221.7	$39.0	$6.9	$267.6
2009	$359.9	$74.6	$16.8	$451.3
2010	$304.9	$70.6	$15.3	$390.7
2011	$216.1	$82.3	$16.9	$315.3
2012	$253.4	$131.3	$20.3	$405.0
2013	$239.2	$132.2	$22.2	$393.6
2014	$163.9	$111.4	$21.0	$296.3
2015	$261.5	$155.6	$19.2	$436.3
2016	$281.8	$206.5	$19.9	$508.2
2017	$257.6	$177.8	$20.2	$455.6
2018	$222.6	$160.8	$17.2	$400.6
2019	$266.9	$225.7	$16.0	$508.6
2020	$327.0	$423.5	$24.9	$775.4
2021	$392.2	$422.1	$26.7	$840.9
2022	$275.8	$221.7	$14.8	$512.3
2023	$227.6	$140.3	$7.7	$375.5
2024 YTD	$136.4	$90.8	$3.8	$230.9

Figure 20. Ginnie Mae Gross Issuance



Source: Recursion. Note: Numbers are rounded to the nearest hundred million. For sums, like "Total", the values are rounded after the exact underlying values are summed. As a result, some sums may not appear to match the sum of their rounded component values.

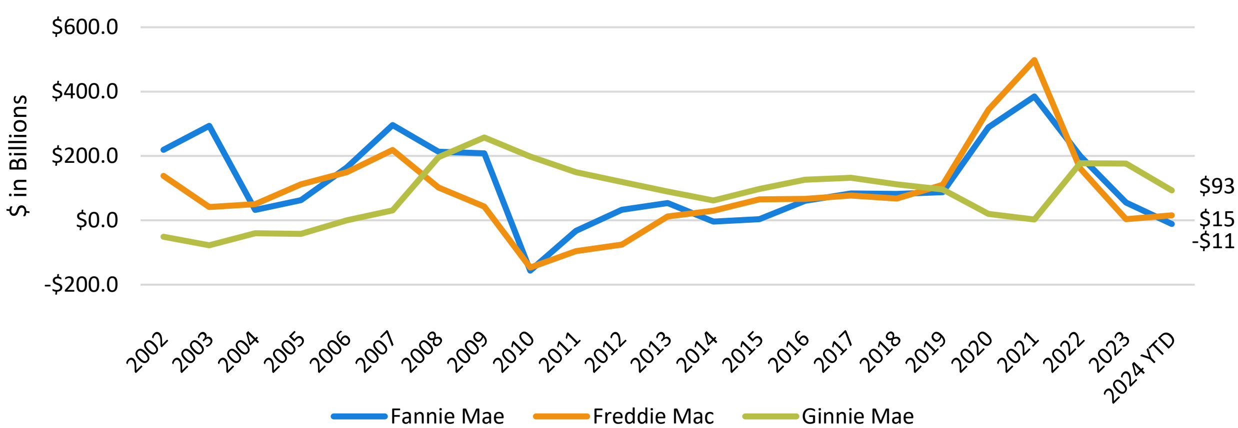
5.2 Net Issuance of Agency MBS

Agency Net Issuance as of month-end July was $97.2 billion for 2024 YTD, as shown in **Table 3.** Ginnie Mae has the largest net issuance YTD, totaling $93.1 billion as of month-end July 2024. Since 2022, FHA net issuance has outpaced VA net issuance, as shown in **Table 4 and Figure 22.**

Table 3. Agency Net Issuance ($ in billions)

Issuance Year	Fannie Mae	Freddie Mac	GSE Total	Ginnie Mae	Total
2002	$218.9	$138.3	$357.2	-$51.2	$306.1
2003	$293.7	$41.1	$334.9	-$77.6	$257.3
2004	$32.3	$50.2	$82.5	-$40.1	$42.4
2005	$62.5	$111.7	$174.2	-$42.2	$132.0
2006	$164.3	$149.3	$313.6	$0.2	$313.8
2007	$296.1	$218.8	$514.9	$30.9	$545.7
2008	$213.0	$101.8	$314.8	$196.4	$511.3
2009	$208.1	$42.5	$250.6	$257.4	$508.0
2010	-$156.4	-$146.8	-$303.2	$198.3	-$105.0
2011	-$32.6	-$95.8	-$128.4	$149.6	$21.2
2012	$32.9	-$75.3	-$42.4	$119.1	$76.8
2013	$53.5	$11.8	$65.3	$89.6	$154.9
2014	-$4.0	$30.0	$26.0	$61.6	$87.7
2015	$3.5	$65.0	$68.4	$97.3	$165.7
2016	$60.5	$66.8	$127.4	$126.1	$253.5
2017	$83.7	$77.0	$160.7	$132.3	$293.0
2018	$81.9	$67.6	$149.4	$112.0	$261.5
2019	$87.4	$110.3	$197.7	$95.7	$293.5
2020	$289.3	$343.5	$632.8	$19.9	$652.7
2021	$384.9	$498.0	$882.9	$2.7	$885.6
2022	$200.4	$161.5	$361.9	$177.4	$539.4
2023	$55.3	$3.3	$58.6	$176.3	$235.0
2024 YTD	-$11.4	$15.4	$4.0	$93.1	$97.2

Figure 21. Agency Net Issuance

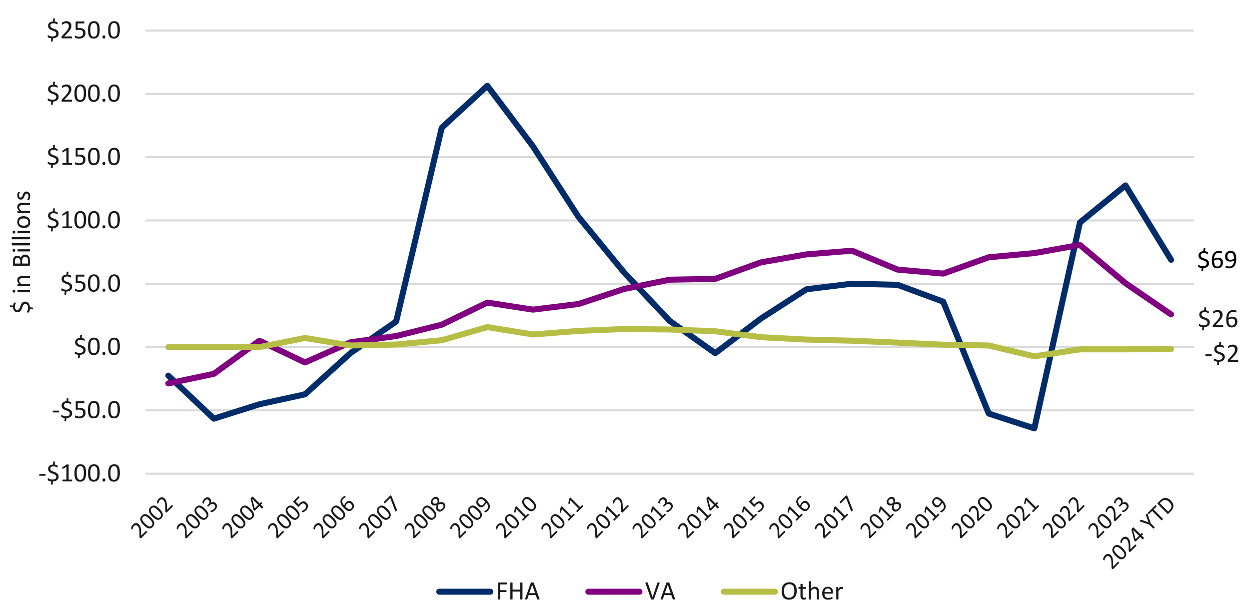


Source: Recursion. Note: Numbers are rounded to the nearest hundred million. For sums, like "GSE Total", the values are rounded after the exact underlying values are summed. As a result, some sums may not appear to match the sum of their rounded component values.

Table 4. Ginnie Mae Net Issuance Collateral Composition ($ in billions)

Issuance Year	FHA	VA	Other	Total
2002	-$22.5	-$28.7	$0.0	-$51.2
2003	-$56.5	-$21.1	$0.0	-$77.6
2004	-$45.2	$5.1	$0.0	-$40.1
2005	-$37.3	-$12.1	$7.2	-$42.2
2006	-$4.7	$3.8	$1.2	$0.2
2007	$20.2	$8.7	$2.0	$30.9
2008	$173.3	$17.7	$5.4	$196.4
2009	$206.4	$35.1	$15.8	$257.4
2010	$158.6	$29.6	$10.0	$198.3
2011	$102.8	$34.0	$12.8	$149.6
2012	$58.9	$45.9	$14.3	$119.1
2013	$20.7	$53.3	$13.9	$87.9
2014	-$4.8	$53.9	$12.5	$61.6
2015	$22.5	$66.9	$7.9	$97.3
2016	$45.6	$73.2	$6.0	$124.9
2017	$50.1	$76.1	$5.0	$131.2
2018	$49.2	$61.2	$3.5	$113.9
2019	$35.9	$58.0	$1.9	$95.7
2020	-$52.5	$71.0	$1.3	$19.9
2021	-$64.2	$74.2	-$7.3	$2.7
2022	$98.5	$80.7	-$1.7	$177.4
2023	$127.7	$50.4	-$1.8	$176.3
2024 YTD	$68.9	$25.8	-$1.5	$93.1

Figure 22. Ginnie Mae Net Issuance



Source: Recursion. Note: Numbers are rounded to the nearest hundred million. For sums, like "Total", the values are rounded after the exact underlying values are summed. As a result, some sums may not appear to match the sum of their rounded component values.

5.3 Monthly Issuance Breakdown

Agency net issuance for the month of July was approximately $19.3 billion, which represents an approximate $3.8 billion decrease MtM. Ginnie Mae net issuance was $15.4 billion in July, a $0.4 billion increase from June. Ginnie Mae's $38.2 billion of gross issuance in July, seen in **Table 5**, was approximately $6.9 billion above the average monthly issuance in 2023.

Table 5. Agency Issuance ($ in billions)

	Agency Gross Issuance Amount (in $ Billions)					Agency Net Issuance Amount (in $ Billions)				
Month	Fannie Mae	Freddie Mac	Ginnie Mae	GSEs	Total	Fannie Mae	Freddie Mac	Ginnie Mae	GSEs	Total
Jul-21	$95.4	$84.6	$69.0	$180.0	$249.0	$27.6	$31.9	-$1.4	$59.5	$58.0
Aug-21	$104.8	$109.3	$66.6	$214.1	$280.8	$27.5	$48.5	$1.4	$76.1	$77.4
Sep-21	$102.9	$105.3	$68.0	$208.3	$276.3	$26.4	$45.6	$3.1	$72.0	$75.1
Oct-21	$105.1	$102.7	$62.5	$207.8	$270.3	$34.6	$46.9	$1.9	$81.5	$83.4
Nov-21	$93.6	$81.1	$60.8	$174.7	$235.5	$29.5	$34.9	$3.1	$64.4	$67.6
Dec-21	$93.7	$85.4	$58.9	$179.1	$238.0	$33.8	$34.4	$5.7	$68.3	$73.9
Jan-22	$93.1	$85.9	$59.0	$179.0	$238.0	$45.6	$37.6	$14.0	$83.2	$97.3
Feb-22	$73.3	$64.6	$49.0	$137.9	$186.9	$27.8	$22.7	$9.7	$50.5	$60.2
Mar-22	$76.8	$62.9	$47.4	$139.7	$187.1	$22.6	$23.1	$6.9	$45.7	$52.6
Apr-22	$65.3	$53.5	$47.8	$118.8	$166.6	$19.5	$17.7	$13.2	$37.2	$50.4
May-22	$54.7	$43.7	$45.0	$98.4	$143.4	$13.6	$12.5	$15.5	$26.1	$41.6
Jun-22	$54.5	$42.0	$43.6	$96.5	$140.1	$14.8	$10.7	$16.0	$25.5	$41.5
Jul-22	$46.8	$40.3	$42.4	$87.1	$129.5	$12.1	$14.4	$18.0	$26.5	$44.5
Aug-22	$39.8	$46.3	$40.3	$86.1	$126.4	$4.8	$19.8	$16.2	$24.6	$40.8
Sep-22	$39.3	$38.2	$39.9	$77.5	$117.4	$7.6	$13.9	$18.3	$21.5	$39.8
Oct-22	$34.1	$26.1	$35.5	$60.2	$95.7	$5.8	$4.7	$17.3	$10.5	$27.8
Nov-22	$25.7	$22.7	$33.6	$48.4	$82.0	$0.3	$3.5	$18.3	$3.8	$22.1
Dec-22	$24.9	$25.5	$28.8	$50.4	$79.2	$0.2	$6.6	$14.0	$6.8	$20.8
Jan-23	$25.7	$22.4	$27.1	$48.1	$75.2	$3.4	$5.3	$14.1	$8.7	$22.8
Feb-23	$18.9	$16.5	$22.7	$35.4	$58.1	-$4.4	-$1.4	$8.6	-$5.8	$2.8
Mar-23	$23.6	$19.2	$26.2	$42.8	$69.0	-$4.4	-$2.4	$8.7	-$6.8	$1.9
Apr-23	$27.7	$21.0	$31.6	$48.7	$80.3	$1.4	$0.6	$15.0	$2.0	$17.0
May-23	$30.4	$29.0	$32.6	$59.4	$92.0	$0.6	$6.0	$13.5	$6.6	$20.1
Jun-23	$33.5	$32.9	$37.5	$66.4	$103.9	$3.1	$9.3	$17.8	$12.4	$30.2
Jul-23	$31.7	$27.9	$36.3	$59.6	$95.9	$3.6	$5.9	$18.0	$9.5	$27.5
Aug-23	$27.8	$27.9	$36.5	$55.7	$92.2	-$1.5	$4.8	$17.2	$3.3	$20.5
Sep-23	$28.1	$31.1	$35.1	$59.2	$94.3	$1.9	$10.7	$18.6	$12.6	$31.2
Oct-23	$28.2	$24.5	$32.1	$52.7	$84.8	$2.6	$4.5	$17.0	$7.1	$24.1
Nov-23	$23.8	$25.3	$30.5	$49.1	$79.5	-$0.1	$6.5	$15.2	$6.4	$21.6
Dec-23	$20.9	$23.9	$27.3	$44.8	$72.1	-$2.9	$5.4	$12.6	$2.5	$15.0
Jan-24	$23.3	$17.7	$27.1	$41.1	$68.2	-$0.3	-$0.6	$10.4	-$0.9	$9.5
Feb-24	$20.5	$17.7	$29.6	$38.1	$67.7	-$4.2	-$1.7	$11.3	-$5.9	$5.5
Mar-24	$21.3	$25.3	$31.2	$46.6	$77.8	-$5.5	$3.9	$12.4	-$1.7	$10.7
Apr-24	$25.0	$26.3	$33.8	$51.4	$85.2	-$3.8	$3.4	$14.1	-$0.3	$13.8
May-24	$26.6	$29.0	$35.7	$55.6	$91.4	-$3.7	$4.5	$14.5	$0.7	$15.3
Jun-24	$33.3	$27.3	$35.3	$60.6	$95.9	$4.2	$3.9	$15.0	$8.1	$23.1
Jul-24	$32.6	$26.6	$38.2	$59.2	$97.4	$1.9	$2.0	$15.4	$3.9	$19.3

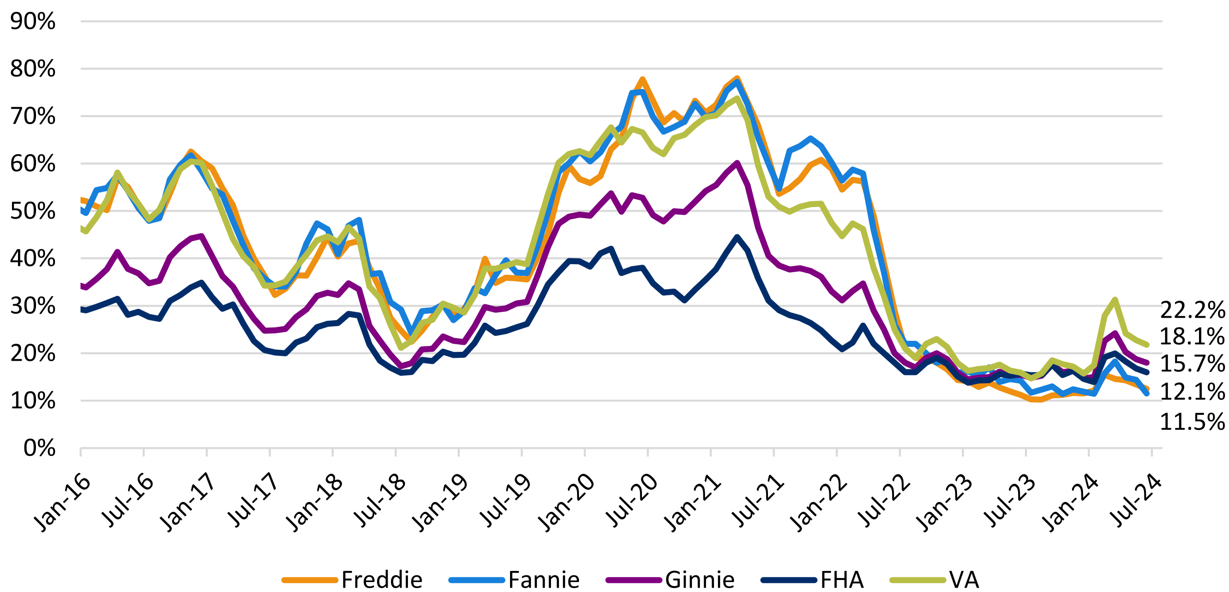
Sources: Beginning May 2021, data for Gross and Net Issuance was sourced from Fannie Mae, Freddie Mac, and Ginnie Mae loan level disclosure files. Net issuance is defined here as the difference between prior period UPB and current period UPB. Data as of July 2024. Beginning with the October 2021 GMAR, the Fannie Mae and Freddie Mac net issuance data is updated to reflect the current UPB of the portfolios. July 2021 through July 2024 GMAR net issuance data reflect the UPB at security issuance for Fannie Mae and Freddie Mac. Note: Numbers are rounded to the nearest hundred million.

5.4 Percent Refi at Issuance – Single-Family

Refinance activity increased by approximately 0.4% MoM for Ginnie Mae as of month-end July 2024.

- Freddie Mac's refinance percentage decreased to 12.1% in July, down from 12.5% in June.
- Fannie Mae's refinance percentage remained at 11.5% in July, compared to June.
- Ginnie Mae's refinance percentage increased to 18.1% in July, up from 18.0% in June.
- FHA's refinance percentage decreased to 15.7% in July, down from 16.0% in May.
- VA's refinance percentage increased to 22.2% in July, up from 21.8% in June.

Figure 23. Percent Refinance at Issuance – Single-Family



Source: Recursion. Note: Data as of July 2024.

6 AGENCY SINGLE-FAMILY MBS OUTSTANDING

6.1 Outstanding Single-Family Agency MBS

As of month-end July 2024, outstanding Single-Family MBS in the Agency market totaled $8.935 trillion: 39.9% Fannie Mae, 33.2% Freddie Mac, and 26.9% Ginnie Mae MBS. Over the past twelve months, Freddie Mac's total outstanding MBS increased by approximately 1.6%, and Ginnie Mae's increased by 7.8%. Fannie Mae's total outstanding MBS decreased by 0.3%. Fannie Mae's outstanding MBS remains larger than Freddie Mac's and Ginnie Mae's outstanding MBS by approximately $600 billion and $1.2 trillion, respectively.

Ginnie Mae's MBS collateral composition has changed over time as shown in **Figure 25.** In June 2019, 59.3% of Ginnie Mae's outstanding collateral was FHA and 34.7% was VA. As of month-end July 2024, FHA collateral comprised 55.1% of Ginnie Mae MBS outstanding, and VA collateral comprised 40.6% of Ginnie Mae MBS outstanding.

Figure 24. Outstanding Agency Mortgage-Backed Securities

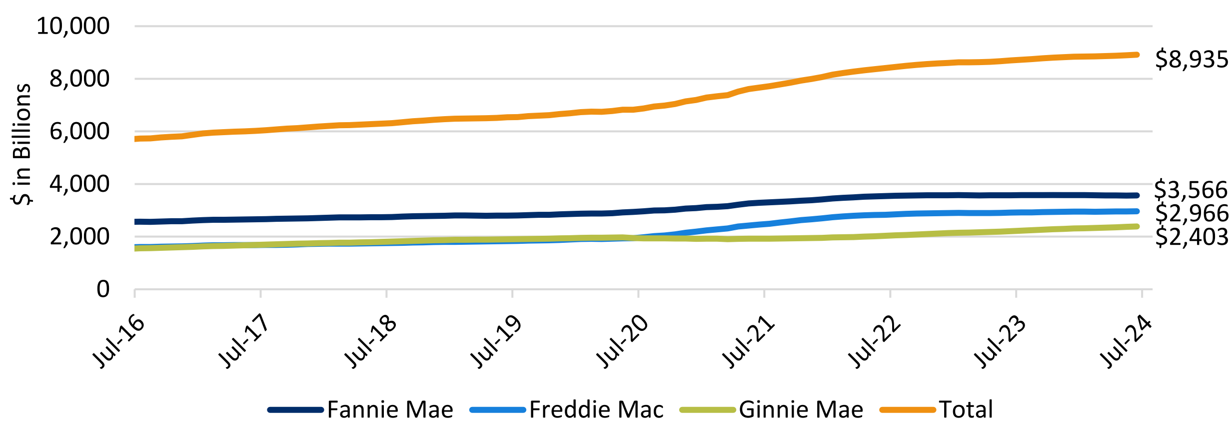
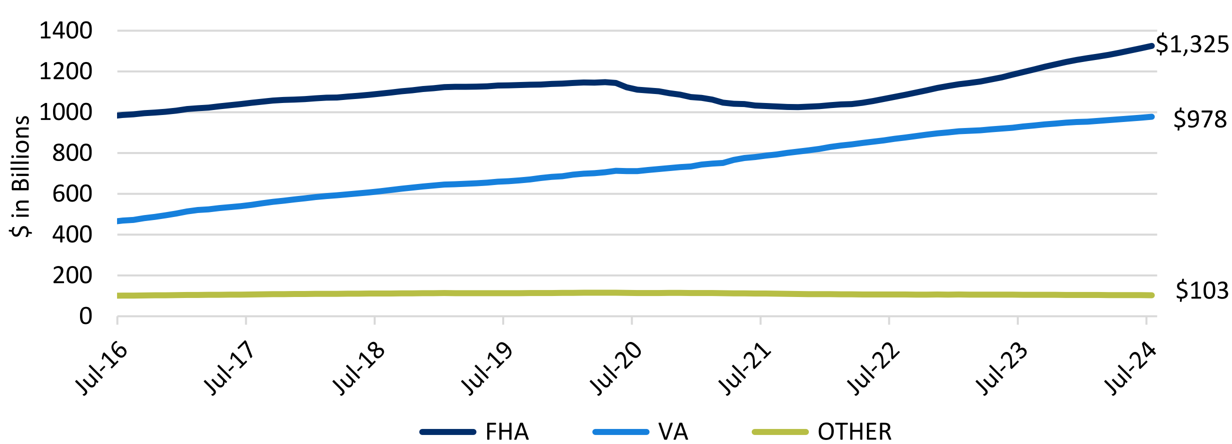


Figure 25. Composition of Outstanding Ginnie Mae Mortgage-Backed Securities



Source: Recursion. Note: Data as of July 2024. Note: Data rounded to nearest billion; GNMA composition may not add up to total outstanding amount due to rounding.

6.2 Origination Volume and Share Over Time

First lien origination volume increased in Q2 2024, with approximately $435 billion in originations, which represents an increase in issuance of 33.8% from Q1 2024. Ginnie Mae's share of total origination decreased from 27.0% to 23.5% in Q2 2024, while portfolio origination increased from 29.9% to 34.5%.

Figure 26. First Lien Origination Volume

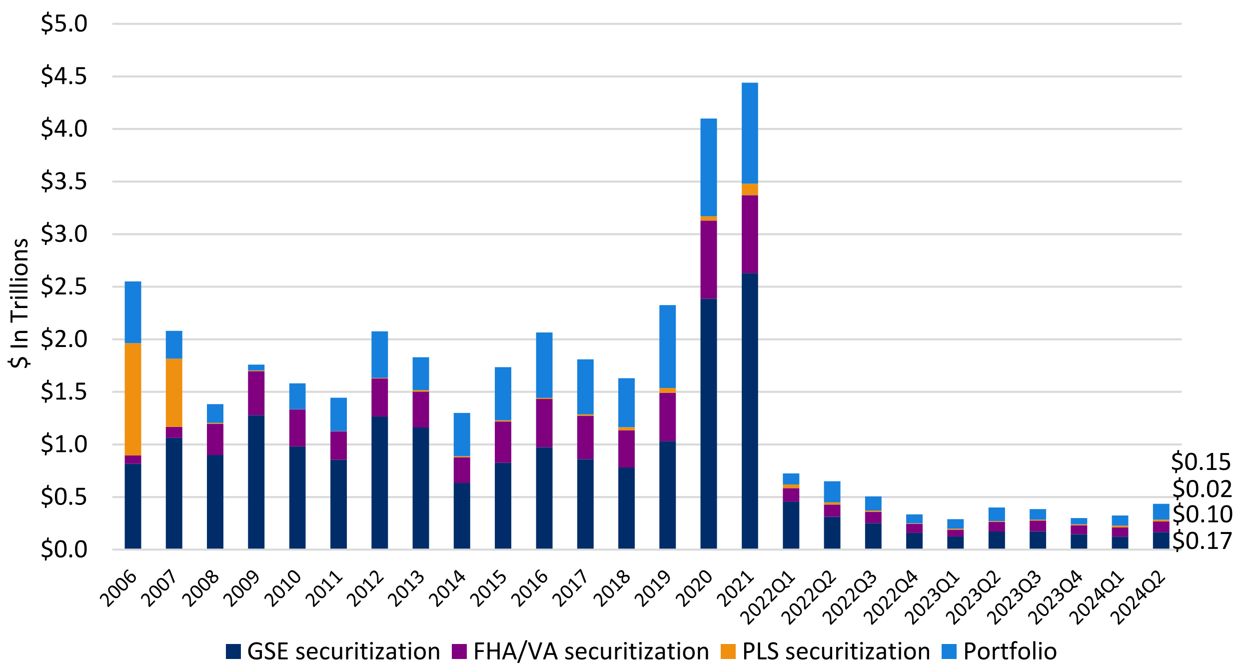
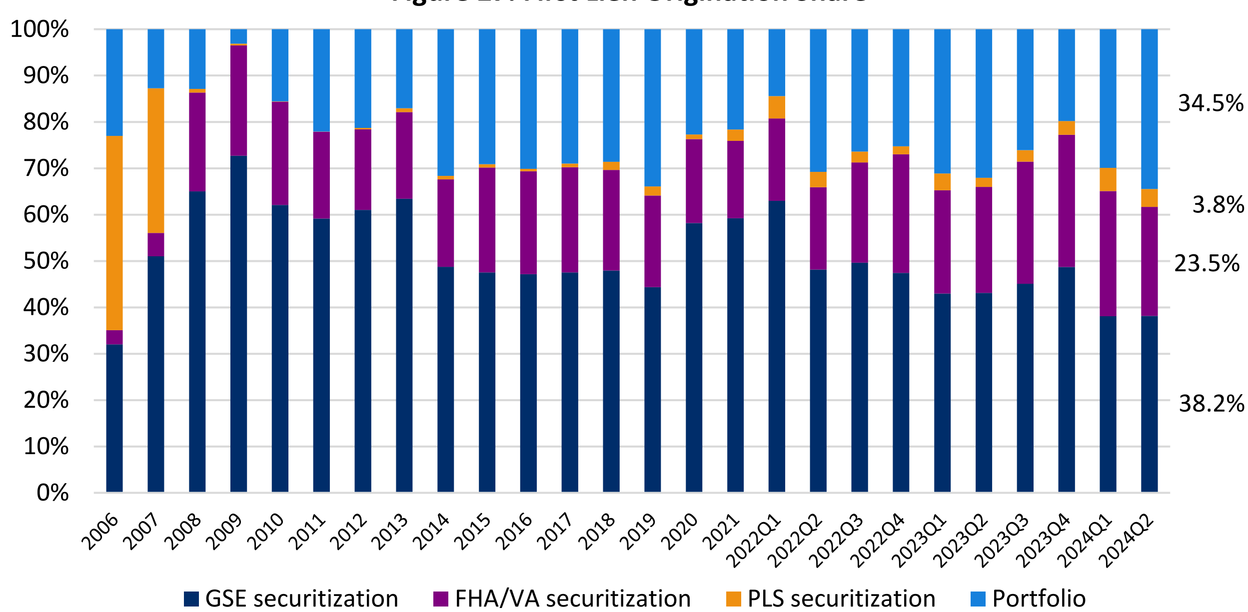


Figure 27. First Lien Origination Share



Source: Inside Mortgage Finance. Note: Data as of Q2 2024.

6.3 Agency Issuance and Agency Outstanding by State

Ginnie Mae MBS represents approximately 39% of new agency issuance over the past year, roughly 12% higher than Ginnie Mae's 27% share of agency outstanding. The share of Ginnie Mae's new agency issuance varies across states, with the largest share by UPB being in both Mississippi and Alaska (60%) and the smallest in the District of Columbia (21%). The highest Ginnie Mae outstanding share is in Mississippi (50%) and the lowest in the District of Columbia (14%).

Table 6. Agency Issuance Breakdown by State

	Agency Issuance (past 1 year)				Agency Outstanding (past 1 year)			
National	GNMA Share by UPB	GNMA Loan Count	GNMA Avg. Loan Size (000)	GSE Avg. Loan Size (000)	GNMA Share by UPB	GNMA Loan Count	GNMA Avg. Loan Size (000)	GSE Avg. Loan Size (000)
	39%	**1,508,588**	**314.04**	**313.22**	**27%**	**11,379,542**	**214.04**	**211.78**
AK	60%	3,827	370.17	315.70	49%	37,838	265.22	218.52
AL	55%	37,539	245.78	250.74	43%	253,072	167.04	178.86
AR	48%	19,479	212.75	242.73	40%	143,486	140.30	163.65
AZ	42%	47,884	353.32	350.27	27%	301,365	237.43	229.07
CA	34%	87,002	494.18	486.57	18%	730,851	340.28	317.57
CO	37%	32,052	434.54	418.27	25%	227,229	306.96	279.96
CT	31%	10,612	300.03	308.29	26%	109,322	206.67	208.69
DC	21%	983	550.55	459.99	14%	9,475	395.38	345.35
DE	39%	6,350	300.51	314.32	32%	54,836	210.56	212.88
FL	45%	149,888	333.97	325.96	34%	930,790	229.01	217.37
GA	46%	79,516	292.07	320.21	35%	529,981	193.87	211.30
HI	45%	3,376	654.78	538.46	33%	34,922	474.80	356.17
IA	32%	11,562	206.63	210.50	24%	86,732	140.65	148.19
ID	37%	9,744	359.80	338.10	25%	68,474	235.66	226.05
IL	28%	43,344	231.40	263.31	23%	383,426	164.37	179.54
IN	39%	39,718	217.46	225.17	32%	292,815	142.87	153.38
KS	39%	13,266	217.93	235.17	30%	99,496	147.07	164.65
KY	48%	24,933	220.78	228.64	37%	174,714	151.38	156.76
LA	55%	26,365	219.47	240.15	42%	213,998	161.89	175.96
MA	27%	13,525	420.02	417.40	17%	119,529	293.76	267.20
MD	45%	33,977	374.57	359.65	35%	305,821	270.97	248.58
ME	34%	4,669	279.99	297.96	27%	39,294	185.07	193.41
MI	28%	33,692	210.02	230.49	21%	286,084	139.41	156.96
MN	24%	17,269	278.72	291.25	18%	163,608	188.26	198.74
MO	38%	32,961	223.24	237.53	30%	253,942	149.27	163.30
MS	60%	17,507	221.29	228.14	50%	129,857	151.22	161.51
MT	35%	3,959	352.86	335.47	25%	33,180	220.70	218.13
NC	41%	67,672	286.66	311.32	31%	441,164	189.47	206.31
ND	37%	2,110	263.98	259.09	25%	17,441	196.85	181.88
NE	36%	8,270	247.37	241.63	28%	66,780	158.22	162.15
NH	28%	4,292	355.72	345.03	23%	39,230	234.56	217.40
NJ	30%	26,546	365.82	382.52	22%	241,127	249.36	254.80
NM	50%	12,474	273.52	282.61	40%	99,863	176.48	180.62
NV	45%	20,800	380.07	355.20	32%	144,203	262.81	238.54
NY	26%	28,827	333.00	352.79	21%	315,826	217.81	248.47
OH	36%	53,973	211.46	219.19	30%	440,895	137.03	150.76
OK	51%	25,934	225.03	232.51	43%	197,262	149.14	164.27
OR	31%	14,449	381.78	386.20	20%	117,057	264.67	254.61
PA	30%	40,984	225.72	266.87	26%	400,598	152.93	182.78
RI	44%	4,350	374.89	340.42	32%	37,645	245.42	213.38
SC	47%	41,582	282.54	280.58	36%	255,785	195.78	195.01
SD	43%	4,197	270.05	256.03	31%	30,514	181.89	177.42
TN	43%	44,169	294.51	306.49	33%	285,184	190.80	209.08
TX	42%	175,294	300.71	326.65	34%	1,194,225	197.66	218.43
UT	36%	16,427	413.81	407.69	21%	104,486	281.31	266.49
VA	48%	53,564	366.88	357.82	37%	462,880	264.01	249.74
VI	23%	64	429.48	439.09	24%	809	266.40	306.56
VT	24%	1,243	275.07	288.76	19%	12,421	185.01	181.66
WA	33%	29,029	434.82	441.73	23%	242,691	296.89	291.11
WI	27%	15,744	240.06	247.87	18%	128,110	162.55	162.99
WV	55%	8,114	217.26	202.07	46%	63,372	149.83	145.21
WY	49%	3,481	303.30	286.74	36%	25,837	213.37	201.30

Source: Recursion. Note: Outstanding balance based on loan balance as of July 2024. Values above are based on loan level disclosure data, thus excluding loan balances for first 6 months that loans are in a pool. This accounts for the difference in share of outstanding MBS represented above & in Outstanding Single-Family Agency MBS.

6.4 Outstanding Ginnie Mae MBS Volume by Coupon and Vintage Over Time

As of month-end July 2024, the weighted average coupon (WAC) on outstanding Ginnie Mae MBS increased from 3.68% in June 2024 to 3.72% as seen in **Figure 28**. **Figure 29** illustrates that loans originated since 2019 account for approximately 83% of Ginnie Mae MBS collateral outstanding.

Figure 28. Outstanding Ginnie Mae MBS Balance, by Coupon

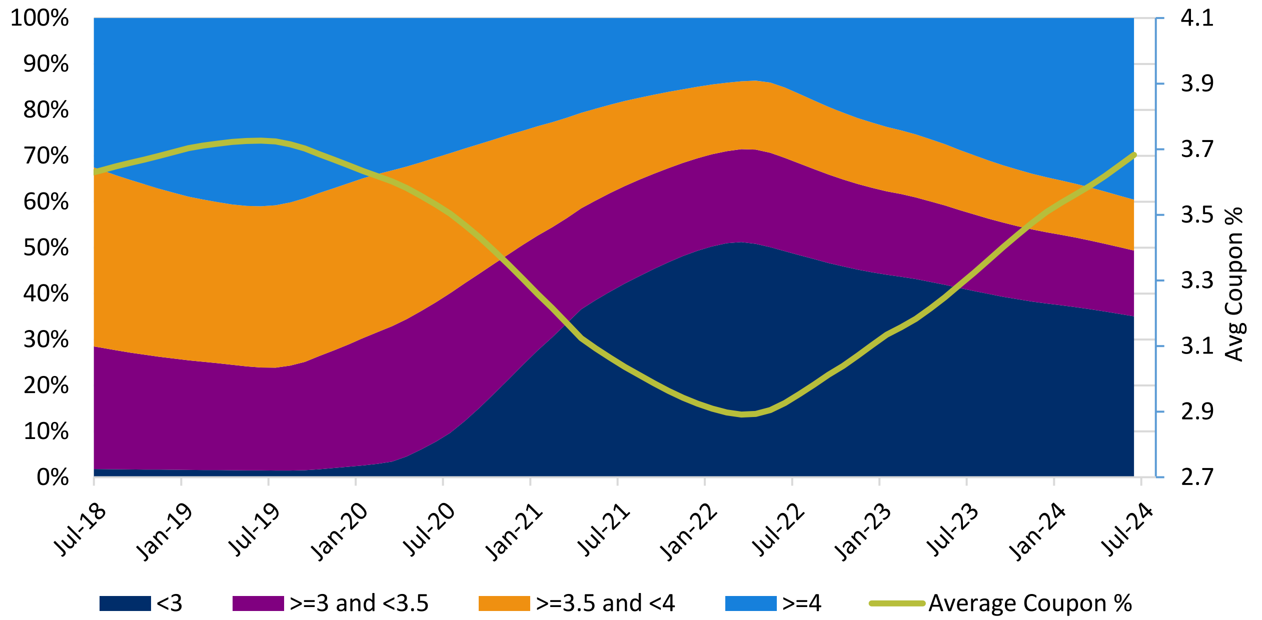
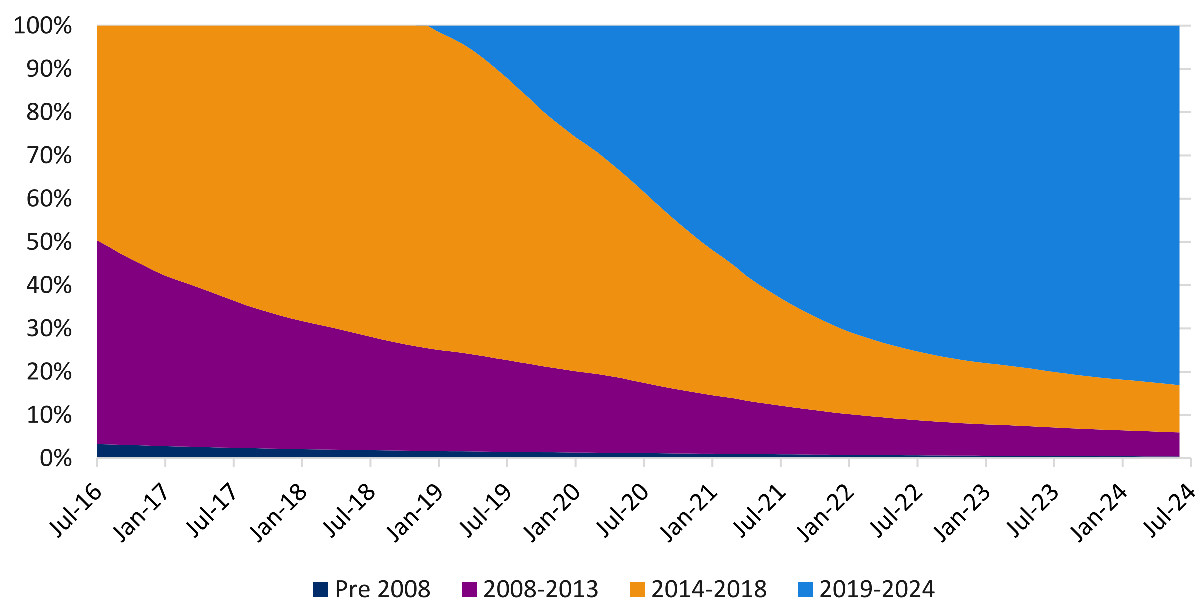


Figure 29. Outstanding Ginnie Mae MBS Balance, by Vintage



Source: Recursion. Note: July 2024 data points reflect the current composition of balances by coupon and vintage; factor data is not applied to prior date balance compositions. Average coupon is weighted by remaining principal balance.

7 AGENCY REMIC SECURITIES

7.1 Monthly REMIC Demand for Ginnie Mae MBS

Ginnie Mae Real Estate Mortgage Investment Conduit (REMIC) issuance volume for the month of July was approximately $11.8 billion. This represents a 14.17% MoM increase from $10.4 billion in June 2024, and a 134.68% increase YoY from $5.0 billion in July 2023. Approximately $616.8 million of the July 2024 issuance volume were Multifamily MBS having coupons over 5.0%, and approximately $9.8 billion were Single-Family MBS having coupons over 5.5%. Roughly $570.1 million of previously securitized REMICs were re-securitized into new REMIC deals in July.

Figure 30. Ginnie Mae Single-Family and Multifamily REMIC Issuance ($B)

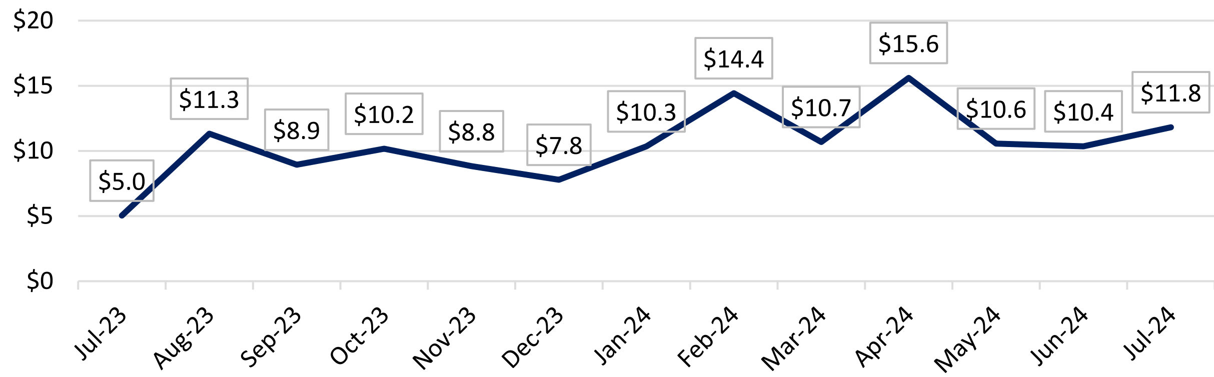


Table 7. July 2024 REMIC Issuance Breakdown

Net Coupon (%)	Principal ($MM) for MBS Deals	Principal ($MM) for Re-REMIC Deals	Principal % for MBS Deals	Principal % for Re-REMIC Deals
Multifamily				
3.01-4.01	$56.0	-	8.3%	-
5.01-6.01	$616.8	-	91.7%	-
Subtotal	**$672.8**	**-**	**100.0%**	**-**
Single-Family				
<2.01	-	$228.6	-	2.1%
2.51-3.01	$207.9	$70.9	1.9%	0.6%
3.01-3.51	$269.9	-	2.4%	-
3.51-4.01	$51.5	-	0.5%	-
4.01-4.51	$161.9	$43.1	1.5%	0.4%
4.51-5.01	$10.7	$31.6	0.1%	0.3%
5.01-5.51	$79.5	$33.5	0.7%	0.3%
5.51-6.01	$2,126.9	$70.4	19.1%	0.6%
6.01-6.51	$4,687.6	$92.0	42.0%	0.8%
6.51-7.01	$2,422.3	-	21.7%	-
>7.01	$560.0	-	5.0%	-
Subtotal	**$10,578.2**	**$570.1**	**94.9%**	**5.1%**
Grand Total [1]	**$11,251.0**	**$570.1**	**95.2%**	**4.8%**

Source: Ginnie Mae Disclosure Files

[1] *Totals may not sum due to rounding. Percents calculated using weighted average.*

7.2 REMIC Market Snapshot

- In July 2024, Ginnie Mae and Fannie Mae saw increases in their single-family REMIC issuance collateral coupon of 9 basis points and 4 basis points, respectively. Freddie Mac saw a decrease of 2 basis points in their single-family REMIC issuance collateral coupon.
- In July 2024, Freddie Mac and Ginnie Mae saw increases in their multifamily REMIC issuance collateral coupon of 61 basis points and 73 basis points. Fannie Mae has not issued a multifamily REMIC since March of 2024.
- In July 2024, Ginnie Mae's total single-family, multifamily, and HMBS REMIC issuance totaled $12.4 billion, a 16.0% or $1.7 billion increase MoM.
- In July 2024, total single-family and multifamily issuance across the three Agencies increased 20.3% or $4.6 billion relative to June.

Figure 31. July 2024 REMIC Issuance by Agency ($B)

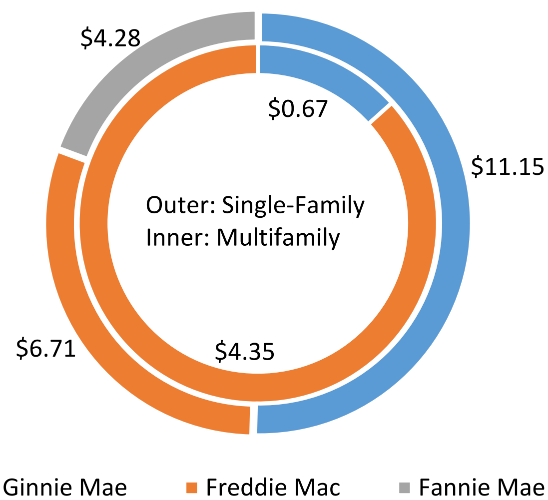


Table 8. Monthly REMIC Issuance by Agency

	SF REMIC Issuance Volume ($B)	% of SF REMIC Issuance Volume	Number of SF REMIC Transactions	MF REMIC Issuance Volume ($B)	% of MF REMIC Issuance Volume	Number of MF REMIC Transactions
Ginnie Mae	$11.15	50.3%	11	$0.67	13.3%	6
Freddie Mac	$6.71	30.3%	11	$4.35	86.7%	6
Fannie Mae	$4.28	19.3%	9	-	-	0
Total [2]	**$22.15**	**100.0%**	**31**	**$5.02**	**100.0%**	**12**

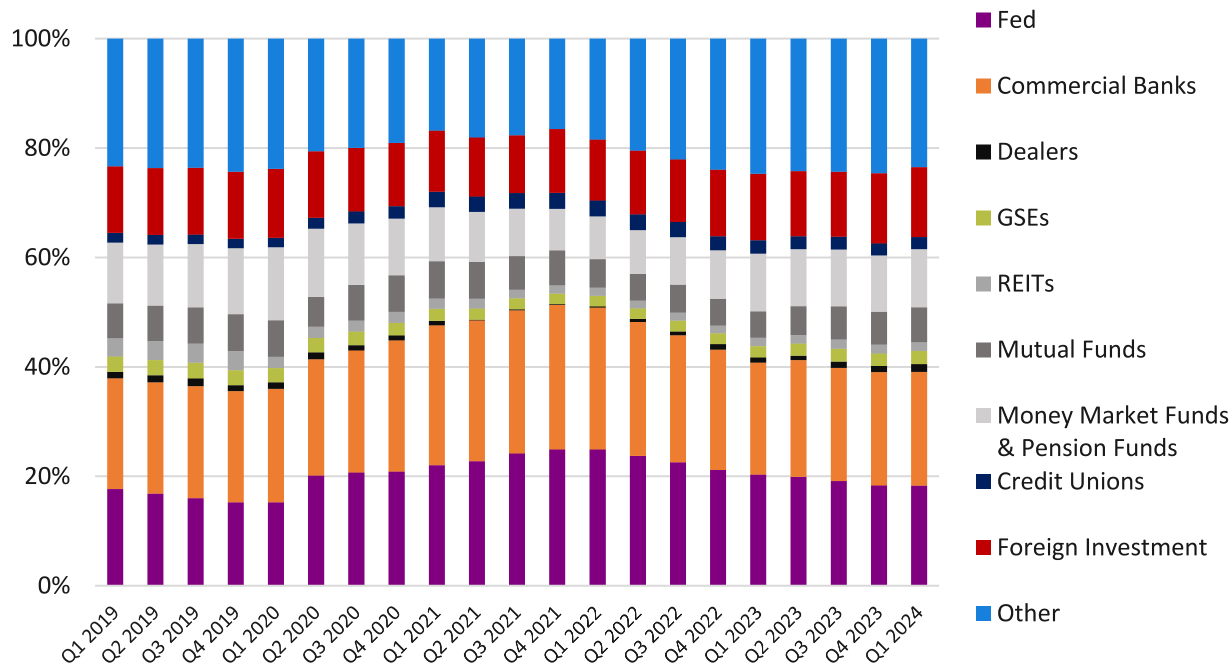
Source: Relay & FDS files posted to Ginnie Mae, Fannie Mae, and Freddie Mac

[2] *Totals may not sum due to rounding.*

8 MBS OWNERSHIP

In Q1 2024, the largest holders of Agency debt (Agency MBS plus Agency notes and bonds) included commercial banks (21%), the Federal Reserve (18%), and foreign investors (13%). The Federal Reserve's share roughly held even quarter over quarter (QoQ). Out of the approximately $2.58 trillion in holdings as of the end of July 2024, roughly $1.96 trillion was held by the top 25 domestic banks per **Table 9** below.

Figure 32. Who Owns Total Agency Debt?



Source: Federal Reserve Flow of Funds. Note: The "other" category includes primarily life insurance companies, state and local governments, households, and nonprofits. Data as of Q1 2024.

8.1 Commercial Bank Holdings of Agency MBS

Table 9. Commercial Bank Holdings of Agency MBS

	Commercial Bank Holdings ($Billions)								
	Nov-23	**Dec-23**	**Jan-24**	**Feb-24**	**Mar-24**	**Apr-24**	**May-24**	**Jun-24**	**Jul-24**
Largest 25 Domestic Banks	$1,927.7	$1,907.9	$1,915.6	$1,920.4	$1,919.6	$1,912.7	$1,913.1	$1,946.1	$1,957.4
Small Domestic Banks	$572.8	$581.8	$581.0	$579.4	$583.4	$591.3	$586.6	$591.0	$596.1
Foreign Related Banks	$30.1	$27.6	$29.1	$34.1	$30.7	$29.5	$30.4	$31.2	$30.6
Total, Seasonally Adjusted	**$2,530.6**	**$2,517.3**	**$2,525.7**	**$2,533.9**	**$2,533.7**	**$2,533.5**	**$2,530.1**	**$2,568.3**	**$2,584.1**

Source: Federal Reserve Bank. Note: Small domestic banks include all domestically chartered commercial banks not included in the top 25. Data as of July 2024.

8.2 Bank and Thrift Residential MBS Holdings

Total MBS holdings at banks and thrifts decreased approximately 0.4% from Q1 2024 to Q2 2024. Although total MBS holdings at banks and thrifts decreased in Q2 2024, Ginnie Mae PT and Agency CMO holdings increased 4.3% and 1.6% QoQ, respectively. Ginnie Mae PT holdings also marked the largest increase over the past year, increasing 14.3% from Q2 of 2023. Out of the $2.22 trillion in MBS holdings at banks and thrifts as of Q2 2024, $1.28 trillion were GSE pass-throughs and $438 billion were Ginnie Mae pass-throughs. Private MBS holdings showed the largest percentage decrease of 29.0% from Q2 2023 to Q2 2024.

Table 10. Bank and Thrift Residential MBS Holdings

	All Banks & Thrifts ($ in billions)						All MBS ($ in billions)	
Year	Total	GSE PT	GNMA PT	Private MBS	Agency CMO	Private CMO	Banks	Thrifts
2003	$899.9	$461.7	$75.1	$19.4	$236.8	$106.9	$775.7	$206.5
2004	$1,011.0	$572.4	$49.3	$20.5	$208.2	$160.6	$879.8	$234.3
2005	$1,033.8	$566.8	$35.9	$29.1	$190.7	$211.2	$897.1	$242.7
2006	$1,124.5	$628.5	$31.1	$42.3	$179.2	$243.3	$983.5	$223.4
2007	$1,149.1	$559.8	$31.6	$26.3	$174.3	$357.2	$971.4	$264.6
2008	$1,218.8	$638.8	$100.4	$12.9	$207.7	$259.0	$1,088.0	$211.7
2009	$1,275.5	$629.2	$155.0	$7.5	$271.2	$212.6	$1,161.7	$184.1
2010	$1,433.4	$600.8	$163.1	$7.3	$397.3	$181.6	$1,233.3	$200.1
2011	$1,566.9	$627.4	$214.8	$3.3	$478.8	$167.7	$1,359.2	$207.6
2012	$1,578.9	$707.9	$242.5	$17.2	$469.3	$138.7	$1,430.6	$148.2
2013	$1,506.6	$706.0	$231.9	$26.1	$432.6	$114.2	$1,363.7	$142.9
2014	$1,539.3	$733.7	$230.5	$20.3	$449.9	$104.9	$1,409.8	$129.5
2015	$1,643.6	$823.1	$292.3	$11.1	$445.4	$71.6	$1,512.7	$130.9
2016	$1,736.9	$930.7	$323.5	$7.4	$419.8	$55.6	$1,576.1	$160.9
2017	$1,844.1	$1,010.8	$367.7	$4.6	$414.0	$47.0	$1,672.9	$171.2
2018	$1,815.0	$980.6	$380.4	$2.7	$416.6	$34.7	$1,635.0	$180.0
1Q19	$1,845.0	$1,001.6	$383.5	$3.1	$422.2	$34.7	$1,673.4	$171.6
2Q19	$1,907.1	$1,037.9	$408.0	$2.9	$421.6	$36.8	$1,727.7	$179.5
3Q19	$1,975.8	$1,079.8	$427.1	$4.7	$428.7	$35.4	$1,786.7	$189.0
2019	$1,985.4	$1,089.4	$426.9	$4.6	$429.0	$35.5	$1,796.3	$189.1
1Q20	$2,107.7	$1,173.4	$448.3	$4.7	$443.7	$37.6	$1,907.0	$200.6
2Q20	$2,195.2	$1,228.9	$441.1	$5.0	$478.1	$42.1	$1,946.4	$248.8
3Q20	$2,310.4	$1,349.5	$415.2	$4.4	$499.5	$41.8	$2,040.6	$269.8
4Q20	$2,520.9	$1,537.5	$390.7	$3.9	$548.7	$40.1	$2,210.2	$310.7
1Q21	$2,690.9	$1,713.8	$374.6	$4.9	$555.4	$42.3	$2,350.9	$340.0
2Q21	$2,781.9	$1,825.8	$352.8	$4.8	$555.5	$43.1	$2,431.8	$350.2
3Q21	$2,858.6	$1,886.8	$353.1	$4.2	$565.5	$49.0	$2,487.3	$371.3
4Q21	$2,906.0	$1,915.5	$352.7	$4.4	$578.0	$55.4	$2,529.8	$376.3
1Q22	$2,799.2	$1,817.7	$368.4	$4.0	$548.6	$60.4	$2,476.1	$323.1
2Q22	$2,623.8	$1,665.9	$369.2	$3.8	$523.0	$61.8	$2,321.2	$302.6
3Q22	$2,431.6	$1,520.2	$352.0	$3.3	$496.7	$59.3	$2,156.2	$275.4
4Q22	$2,423.9	$1,505.6	$371.9	$4.0	$481.7	$60.6	$2,154.5	$269.4
1Q23	$2,356.9	$1,441.2	$386.3	$4.1	$465.2	$60.1	$2,088.3	$268.7
2Q23	$2,280.4	$1,389.4	$383.5	$3.0	$446.2	$58.3	$2,022.5	$257.9
3Q23	$2,137.4	$1,289.3	$372.7	$2.6	$416.8	$55.9	$1,892.9	$244.4
4Q23	$2,260.5	$1,351.1	$414.2	$2.9	$434.9	$57.3	$2,008.9	$251.6
1Q24	$2,231.8	$1,312.1	$420.0	$2.2	$440.8	$56.7	$1,985.1	$246.7
2Q24	$2,222.29	$1,281.3	$438.2	$2.2	$448.2	$52.7	$1,980.3	$241.95
Change:								
1Q24-2Q24	-0.4%	-2.3%	4.3%	-0.1%	1.6%	-7.1%	-0.2%	-1.9%
2Q23-2Q24	-2.5%	-7.8%	14.3%	-29.0%	0.4%	-9.6%	-2.1%	-6.2%

Note: Data represent fair value of assets in held-to-maturity and available-for-sale account. Thrift MBS holdings prior to June 2009 include commercial MBS. Source: Inside Mortgage Finance. Notes: Data as of Q2 2024.

Table 11. Top 20 Bank and Thrift Residential MBS Investors ($ in millions)

Rank	Institution	Total	GSE PT	GNMA PT	Agency CMO	Non-Agency	Share
1	Bank of America Corporation	$405,363	$328,072	$63,847	$13,250	$194	18.24%
2	Wells Fargo & Company	$253,562	$147,224	$104,132	$2,147	$59	11.41%
3	JPMorgan Chase & Co.	$145,081	$79,058	$54,416	$470	$11,137	6.53%
4	Charles Schwab	$135,802	$76,179	$4,887	$54,736	$0	6.11%
5	U.S. Bancorp	$94,144	$56,825	$27,457	$9,862	$0	4.24%
6	Citigroup Inc.	$91,714	$61,234	$27,811	$1,953	$716	4.13%
7	Truist Bank	$82,781	$31,967	$22,562	$28,252	$0	3.73%
8	PNC Bank, National Association	$65,996	$53,784	$3,580	$7,782	$850	2.97%
9	Capital One Financial Corporation	$62,120	$29,290	$13,663	$18,864	$303	2.80%
10	Morgan Stanley	$47,903	$28,525	$8,232	$11,026	$120	2.16%
11	Bank Of New York Mellon Corp	$42,550	$27,046	$4,448	$9,386	$1,670	1.91%
12	State Street Bank and Trust Company	$35,827	$12,229	$9,451	$11,769	$2,378	1.61%
13	USAA Federal Savings Bank	$34,269	$28,851	$1,656	$3,762	$0	1.54%
14	Citizens Bank, National Association	$28,662	$12,615	$6,757	$9,289	$0	1.29%
15	BMO Harris Bank National Association	$26,829	$3,659	$5,527	$17,643	$0	1.21%
16	The Huntington National Bank	$25,160	$10,052	$8,174	$6,821	$113	1.13%
17	KeyBank National Association	$24,183	$3,338	$1,045	$19,800	$0	1.09%
18	TD Bank USA/TD Bank NA	$24,075	$1,334	$68	$22,673	$0	1.08%
19	HSBC Bank USA, National Association	$23,199	$3,587	$14,913	$4,699	$1	1.04%
20	Regions Bank	$20,033	$14,982	$2,948	$2,103	$0	0.90%
Total	Top 20	$1,669,252	$1,009,850	$385,574	$256,287	$17,541	75.1%

Source: Inside Mortgage Finance. Notes: Data as of Q2 2024.

8.3 SOMA Holdings

FOMC and Economic Highlights:

- Federal Open Market Committee Meeting 7/31/2024 Press Release:
  - *"The Committee decided to maintain the target range for the federal funds rate at 5-1/4 to 5-1/2 percent" and is projecting just one rate cut this year.*
  - *"Inflation has eased over the past year but remains somewhat elevated. In recent months, there has been some further progress toward the Committee's 2 percent inflation objective"*
  - *"The Committee does not expect it will be appropriate to reduce the target range until it has gained greater confidence that inflation is moving sustainably toward 2 percent."*
- Powell indicated in his press conference that:
  - *"The Committee's confidence attaining its dual mandate continues to increase."*
  - *"If data continues to progress in the same manner over the past few months, there is a possibility of a rate decrease in September. However, no decisions have been made at this point, and the Committee will continue to monitor incoming economic data before making that decision."*
  - *"Job gains have moderated, and the unemployment rate has moved up but remains low."*
  - *"Recent jobs figures are in-line with their expectations for a normalizing labor market. The Committee will closely monitor the labor market conditions and adjust monetary policy as required."*
- The next FOMC meeting is scheduled for September 17 - September 18.
- On October 19, 2023, the UST 10YR briefly traded at 5.001% for the first time since 2007. As of August 7, 2024, the UST 10YR yield closed at 3.89% while the Ginnie II 5.5% coupon yield closed at 5.41%, a spread of 152 bps. This is down from a peak of 213 bps in October 2023.
- Inflation declined 0.1% in June on a seasonally adjusted basis after remaining unchanged and increased 3.0% over the past 12 months before seasonal adjustment, per the July 11, 2024 CPI report.
- Core PCE inflation, which is the Fed benchmark, remained steady at 2.6% in June 2024, per the July 26, 2024 Core PCE report.
- Per the August 2, 2024 jobs report, 114,000 new jobs were created and the unemployment rate increased to 4.3% in July 2024, the highest since October 2021. Jobs added in June were revised down to 179,000 from 206,000 and May's were revised down to 216,000 from 218,000.

SOMA Portfolio Highlights (July 3, 2024 versus July 31, 2024)

- SOMA holdings of domestic securities totaled $6.6 trillion on July 31st (a decrease of $40.1 billion or -0.60% from July 3rd). $22.3 billion (56% of the total decrease) was in U.S. Treasury holdings and $17.8 billion (45% of the total decrease) was in Agency MBS.
- Since the institution of redemption caps in June 2022, SOMA holdings have decreased by $1.774 trillion. The total reduction of holdings of U.S. Treasuries was $1.386 trillion and $0.389 trillion for Agency MBS. This represents 94.9% and 43.5% of the total redemption cap over the period for U.S. Treasuries and Agency MBS, respectively. Beginning in June 2024, the Fed will reduce its redemption cap for U.S. Treasuries from $60 billion to $25 billion per month. The cap will remain unchanged for Agency MBS.
- Agency MBS comprise about 34% of the total SOMA portfolio. The $17.8 billion monthly decrease was primarily due to MBS principal repayments rather than outright sales and was comprised of a

$7.4 billion decrease in Fannie Mae holdings, a $6.6 billion decrease in Freddie Mac holdings, and a $3.8 billion decrease in Ginnie Mae holdings. Since the Fed's QT program began in June 2022, there have only been 26 outright sales of Agency MBS specified pools, totaling $759 million (See Table 4).

- While Ginnie Mae MBS comprise 26.9% of total Agency MBS outstanding, the SOMA Ginnie Mae allocation is underweighted at only 20.6%.
- SOMA Agency MBS holdings include 15-yr, 30-yr, and Other securities with, 30-yr comprising around 89% of total Agency MBS holdings. Only 30-yr Ginnie Mae I & II MBS are held by SOMA.
- Over 99% of SOMA Agency MBS holdings have coupons of 4.5% or lower with an average WAC of 2.505%.
- The redemption cap for SOMA's Agency MBS holdings is set at $35 billion per month. The reduction of $17.8 billion in Agency MBS represents 51% of the monthly liquidation cap.

Table 12. SOMA Holdings as of July 3, 2024 and July 31, 2024 ($ Billions)

Holdings by Security Type	July 3, 2024		July 31, 2024		Month-Over-Month	
	SOMA Holdings	% Share	SOMA Holdings	% Share	$ Change	% Change[3]
U.S. Treasuries	$4,319.1	64.88%	$4,296.8	64.93%	-$22.3	-0.52%
Federal Agency Debt	$2.3	0.04%	$2.3	0.04%	$0.0	0.00%
Agency MBS	$2,327.9	34.97%	$2,310.1	34.91%	-$17.8	-0.76%
Agency Commercial MBS	$8.1	0.12%	$8.1	0.12%	$0.0	-0.15%
Total SOMA Holdings	**$6,657.4**	**100.0%**	**$6,617.3**	**100.0%**	**-$40.1**	**-0.60%**

Table 13. SOMA Agency MBS Holdings Distribution ($ Billions)

Agency	July 1, 2024		July 3, 2024		July 31, 2024	
	Singly-Family AMBS Outstanding	% AMBS Outstanding	SOMA AMBS Holdings	% SOMA Holdings	SOMA AMBS Holdings	% SOMA Holdings
Fannie Mae	$3,566.2	39.9%	$957.7	41.1%	$950.3	41.1%
Freddie Mac	$2,966.1	33.2%	$891.4	38.3%	$884.8	38.3%
Ginnie Mae	$2,402.6	26.9%	$478.7	20.6%	$474.9	20.6%
Total	**$8,934.9**	**100.0%**	**$2,327.9**	**100.0%**	**$2,310.1**	**100.0%**

Table 14. SOMA Agency MBS Liquidations from July 3, 2024 to July 31, 2024 ($ Billions)

	MBS Holdings July 3, 2024	MBS Holdings July 31, 2024	Liquidated Amount	Liquidation Cap[4]	% of Liquidation Cap
Total	$2,327.9	$2,310.1	$17.8	$35.0	51%

Source: New York FED SOMA Holdings https://www.newyorkfed.org/markets/soma-holdings as of July 2024.

[3] *Figures in $ billions, any change less than $50 million will be expressed as a "$0.0" change in the "$ Change" column.*
[4] *The Liquidation cap is per calendar month. This analysis covers a four-week period to maintain consistency with other analyses in this report.*

8.4 Foreign Ownership of MBS

As of month-end May 2024, foreign ownership of MBS represented approximately $1.23 trillion in Agency MBS, up approximately $70 billion from May 2023. Total foreign ownership of Agency MBS represents roughly 14% of total Agency MBS outstanding. Total foreign ownership excluding Fed Holdings and CMOs represents roughly 22% of total Agency MBS available.

Figure 33. Agency MBS Owned by Foreign Entities Ex-Fed Holdings and CMO's (USD Billions)

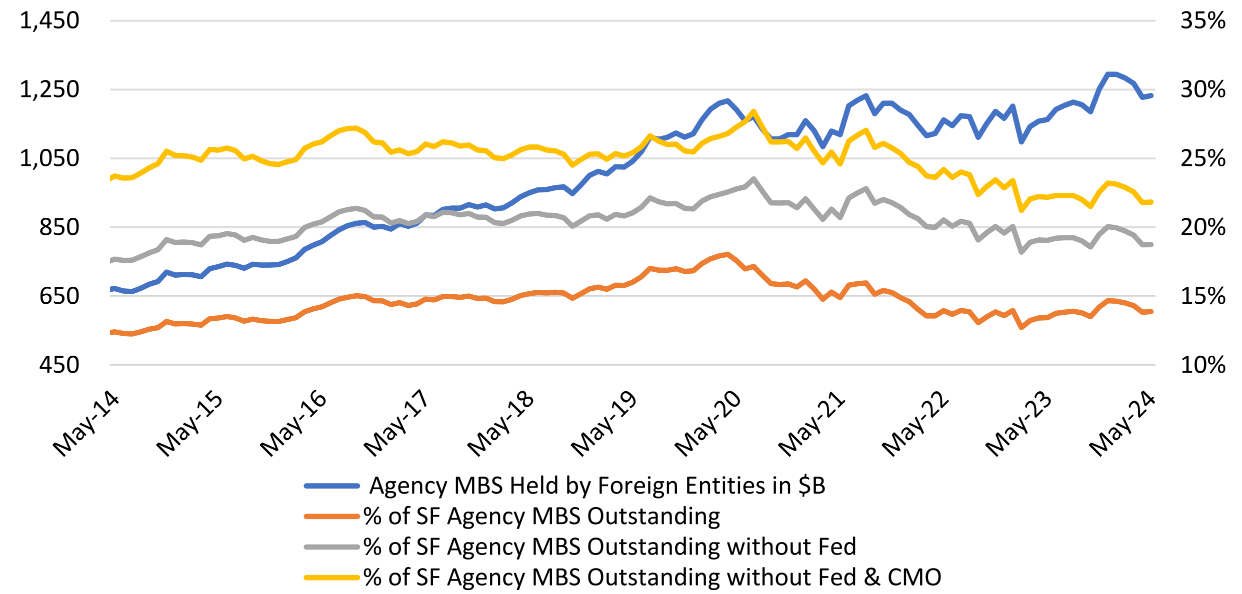
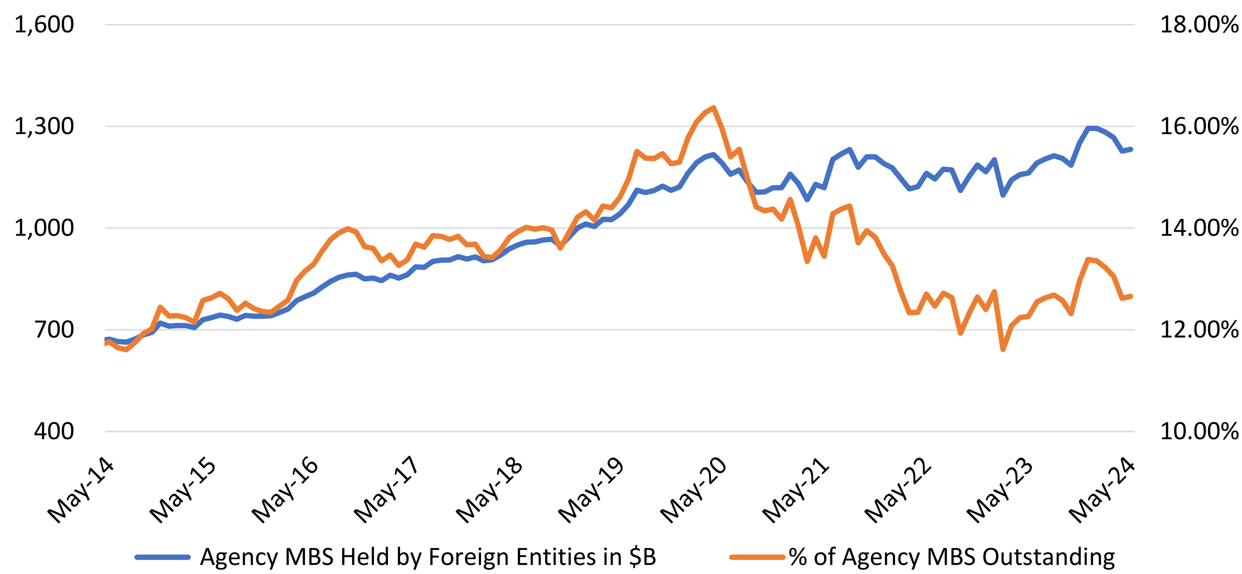


Figure 34. Agency MBS Owned by Foreign Entities (USD Billions)



Sources: TIC and Recursion, as of May 2024.

8.5 Foreign Ownership of Agency Debt

The largest holders of Agency Debt were China, Japan, and Taiwan. As of March 2024, these three owned roughly 54% of all foreign owned Agency Debt. Between March 2023 and March 2024, China, Japan, and Taiwan decreased their Agency Debt holdings. China's holdings decreased by $7.9 billion, Japan's holdings decreased by $38.4 billion, and Taiwan's holdings decreased by $13.0 billion.

Table 15. All Agency Debt (QoQ)

Country	*Level of Holdings ($ Millions)*				*Change in Holdings ($ Millions)*			
	6/1/2023	9/1/2023	12/1/2023	3/1/2024	Q2 2023	Q3 2023	Q4 2023	Q1 2024
China	$269,980	$255,110	$271,478	$255,977	$6,088	-$14,870	$16,368	-$15,501
Japan	$253,357	$252,463	$259,059	$248,603	-$33,694	-$894	$6,596	-$10,456
Taiwan	$208,226	$201,010	$211,610	$199,560	-$4,307	-$7,216	$10,600	-$12,050
Canada	$105,330	$116,642	$133,725	$129,900	-$197	$11,312	$17,083	-$3,825
Luxembourg	$40,971	$42,656	$46,054	$48,677	-$10,231	$1,685	$3,398	$2,623
Cayman Islands	$30,398	$37,089	$42,342	$41,961	$913	$6,691	$5,253	-$381
Ireland	$36,766	$39,697	$39,543	$41,497	$11,667	$2,931	-$154	$1,954
United Kingdom	$55,682	$90,017	$120,148	$39,768	$14,581	$34,335	$30,131	-$80,380
South Korea	$36,737	$36,508	$38,381	$36,519	-$1,394	-$229	$1,873	-$1,862
Bahamas	$19,194	$21,160	$23,896	$24,925	$2,457	$1,966	$2,736	$1,029
Other	$209,407	$221,304	$237,009	$243,310	$6,925	$11,897	15,705	$6,301
Total	**$1,266,048**	**$1,313,656**	**$1,423,245**	**$1,310,697**	**-$7,192**	**$47,608**	**$109,589**	**-$112,548**

Table 16. All Agency Debt (YoY)

Country	*Level of Holdings ($ Millions)*		
	3/1/2023	3/1/2024	*YoY Change in Holdings ($ Millions)*
China	$263,892	$255,977	-$7,915
Japan	$287,051	$248,603	-$38,448
Taiwan	$212,533	$199,560	-$12,973
Canada	$105,527	$129,900	$24,373
Luxembourg	$51,202	$48,677	-$2,525
Cayman Islands	$29,485	$41,961	$12,476
Ireland	$25,099	$41,497	$16,398
United Kingdom	$41,101	$39,768	-$1,333
South Korea	$38,131	$36,519	-$1,612
Bahamas	$16,737	$24,925	$8,188
Other	$202,482	$243,310	$40,828
Total	**$1,273,240**	**$1,310,697**	**$37,457**

Source: Treasury International Capital (TIC). Note: Level of agency debt Holdings by month data as of Q1 2024. Table 15 includes the top 10 holders of Agency Debt listed as of March 2024.

9 FIXED INCOME LIQUIDITY INDICATORS

YTD average daily trading volume for Agency MBS was $292 billion as of month-end July 2024, which indicates an increase from the daily average of $255 billion for calendar year 2023. On a monthly basis, Agency MBS average daily trading volume decreased 6.9% MoM, from $300 billion in June 2024 to $279 billion in July 2024. *See footnote below for update on "Average Daily Turnover by Sector" data.*

Figure 35. Average Daily Trading Volume by Sector

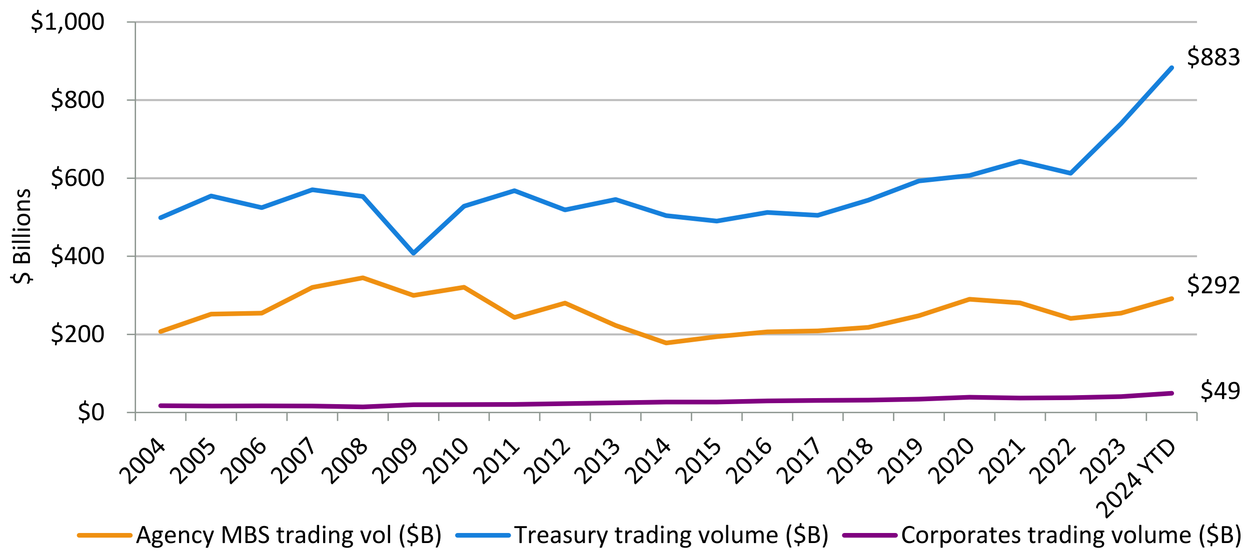
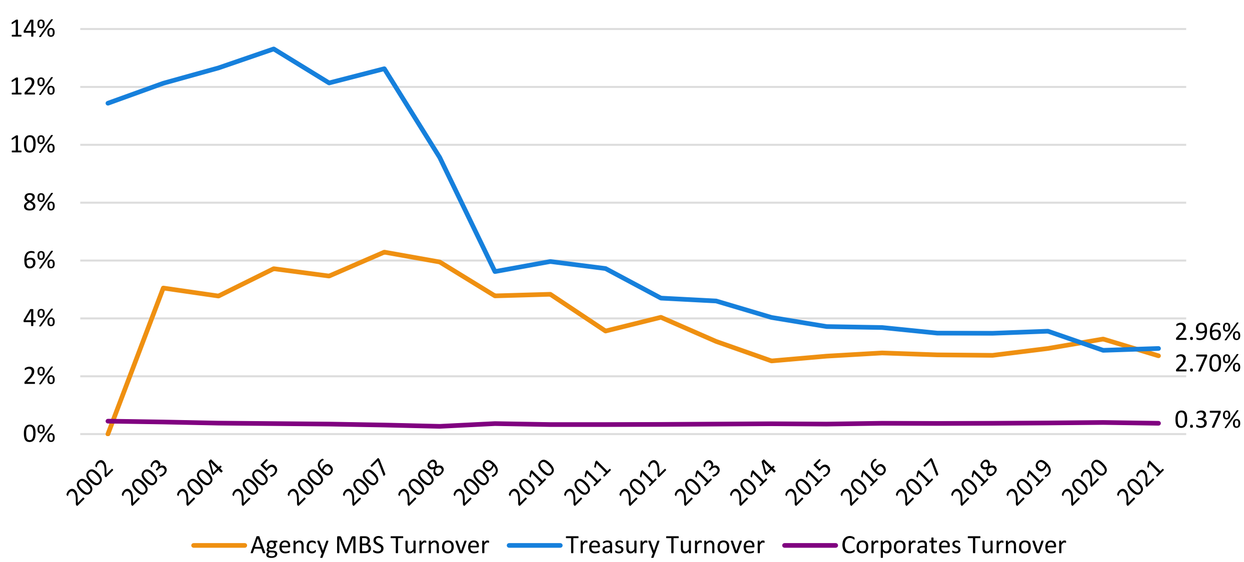


Figure 36. Average Daily Turnover by Sector



Source: SIFMA. Note: Data as of July 2024 for Average Daily Trading Volume by Sector and as of December 2021 for Agency MBS in Average Daily Turnover by Sector. The MBS outstanding database for Turnover by Sector is under maintenance and is not updated in this report.

PRIMARY MORTGAGE MARKET

10 AGENCY CREDIT BREAKDOWN

Tables 17, 18, and 19 below outline the population distributions of FICOs, DTIs, and LTVs between the Agencies and between FHA, VA, and other Ginnie Mae loan sources as of month-end July 2024. The distribution statistics capture some key differences in the populations served by the agencies.

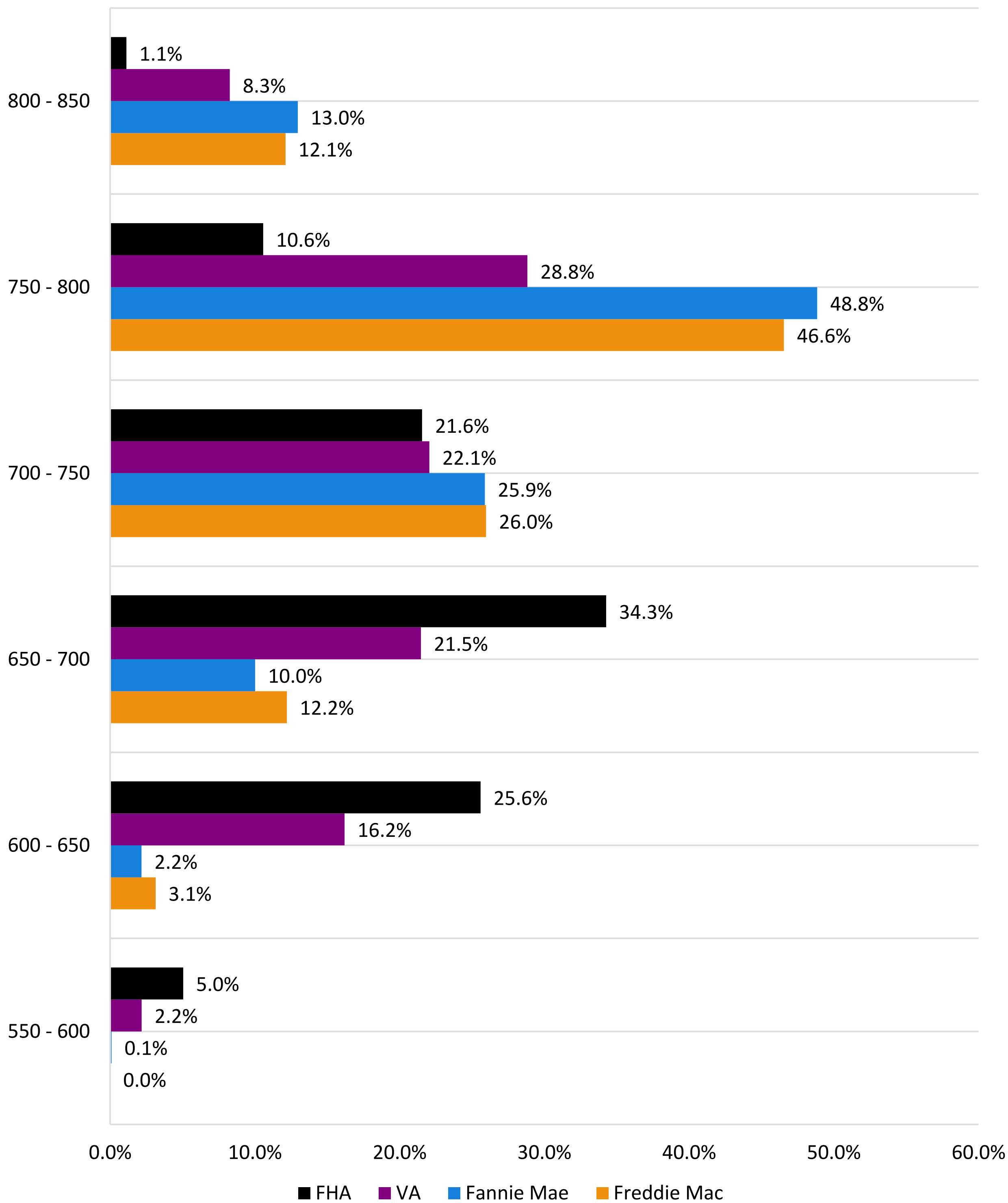
10.1 Credit Scores

Table 17. Share of Loans by FICO Score

			Purchase FICO				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	232,503	653	698	749	784	801	737
Fannie	80,823	702	736	769	791	804	760
Freddie	64,949	690	728	765	790	803	755
Ginnie	86,731	627	656	698	750	786	702
			Refi FICO				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	47,398	624	657	705	758	790	705
Fannie	15,126	659	694	740	778	798	733
Freddie	12,030	659	695	740	777	797	734
Ginnie	20,242	596	629	663	702	744	666
			All FICO				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	279,901	646	689	743	781	800	732
Fannie	95,949	693	729	765	790	803	756
Freddie	76,979	684	722	762	789	802	752
Ginnie	106,973	622	650	691	742	782	695
			Purchase FICO: Ginnie Mae Breakdown by Source				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	86,731	627	656	698	750	786	702
FHA	54,167	624	649	684	727	763	689
VA	29,657	635	678	738	781	801	727
Other	2,907	633	660	700	740	770	700
			Refi FICO: Ginnie Mae Breakdown by Source				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	20,242	596	629	663	702	744	666
FHA	12,512	589	623	654	687	722	655
VA	7,716	612	643	681	728	768	684
Other	14	694	711	720	725	746	716
			All FICO: Ginnie Mae Breakdown by Source				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	106,973	622	650	691	742	782	695
FHA	66,679	617	644	678	721	758	682
VA	37,373	629	667	725	775	798	718
Other	2,921	633	660	701	740	770	701

Data as of July 2024. Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files. Note: All averages are rounded to the nearest whole number.

Figure 37. FICO Distributions by Agency



Data as of July 2024. Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files.

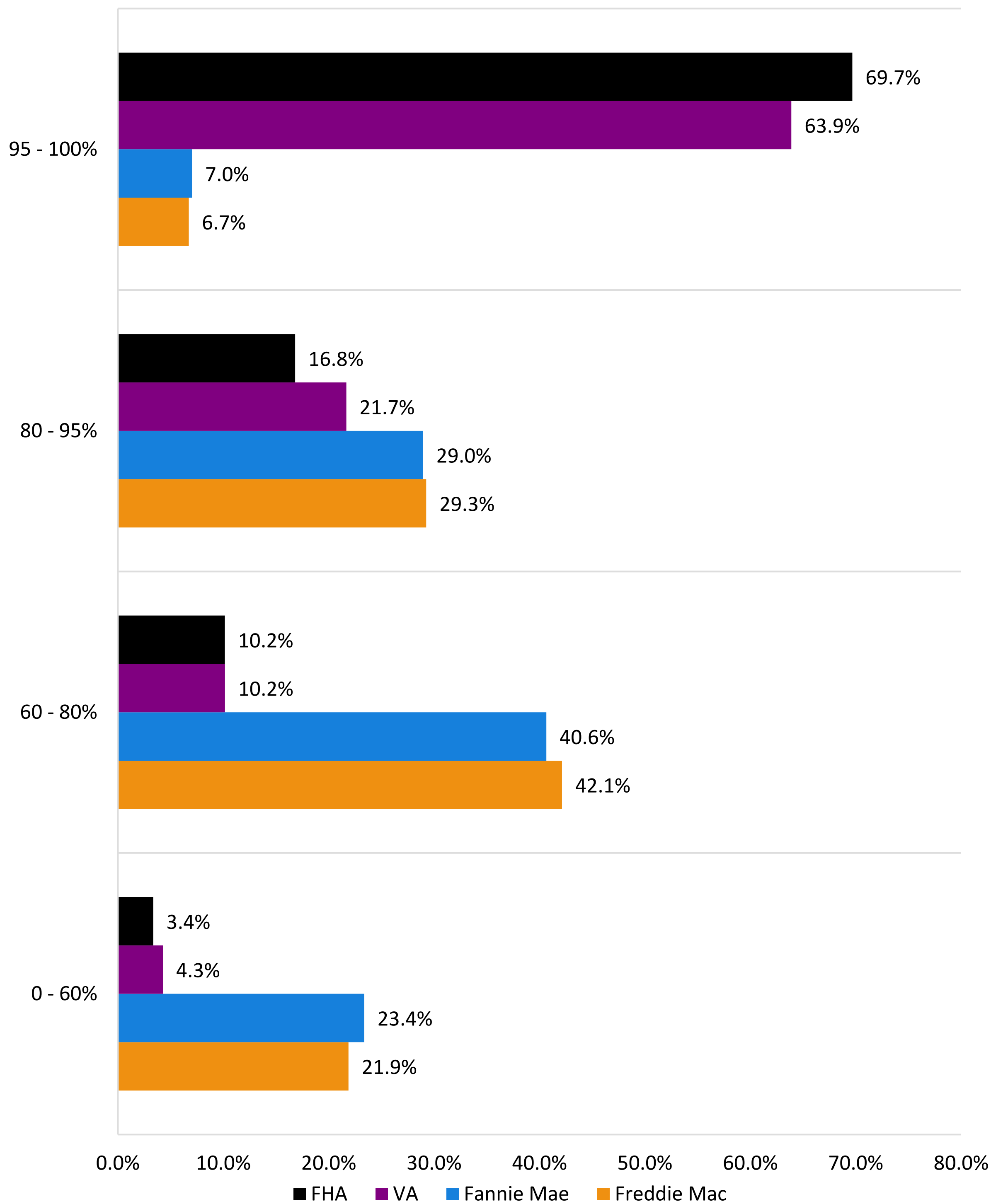
10.2 Loan-to-Value (LTV)

Table 18. Share of Loans by LTV

Names	Number of Loans	P10	P25	Median	P75	P90	Mean
Purchase LTV							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	233,002	60	80	91	98	100	85
Fannie	80,937	51	71	80	93	95	78
Freddie	64,975	52	71	80	95	95	78
Ginnie	87,090	90	97	98	100	100	96
Refi LTV							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	49,948	34	53	70	81	96	67
Fannie	15,134	27	40	57	70	78	54
Freddie	12,031	28	43	60	70	80	57
Ginnie	22,783	59	72	81	93	100	80
All LTV							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	282,950	52	74	88	97	99	82
Fannie	96,071	44	63	80	90	95	74
Freddie	77,006	46	65	80	90	95	75
Ginnie	109,873	78	92	98	99	100	93
Purchase LTV: Ginnie Mae Breakdown by Source							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	87,090	90	97	98	100	100	96
FHA	54,451	92	97	98	98	98	96
VA	29,694	82	99	100	100	102	96
Other	2,945	93	98	101	101	101	98
Refi LTV: Ginnie Mae Breakdown by Source							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	22,783	59	72	81	93	100	80
FHA	13,124	54	68	79	81	85	74
VA	9,642	68	83	92	100	102	89
Other	17	66	72	85	97	98	82
All LTV: Ginnie Mae Breakdown by Source							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	109,873	78	92	98	99	100	93
FHA	67,575	76	92	98	98	98	92
VA	39,336	79	91	100	100	102	94
Other	2,962	92	98	101	101	101	98

Data as of July 2024. Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files. Note: All averages are rounded to the nearest whole number.

Figure 38. Loan-to Value by Agency



Data as of July 2024. Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files.

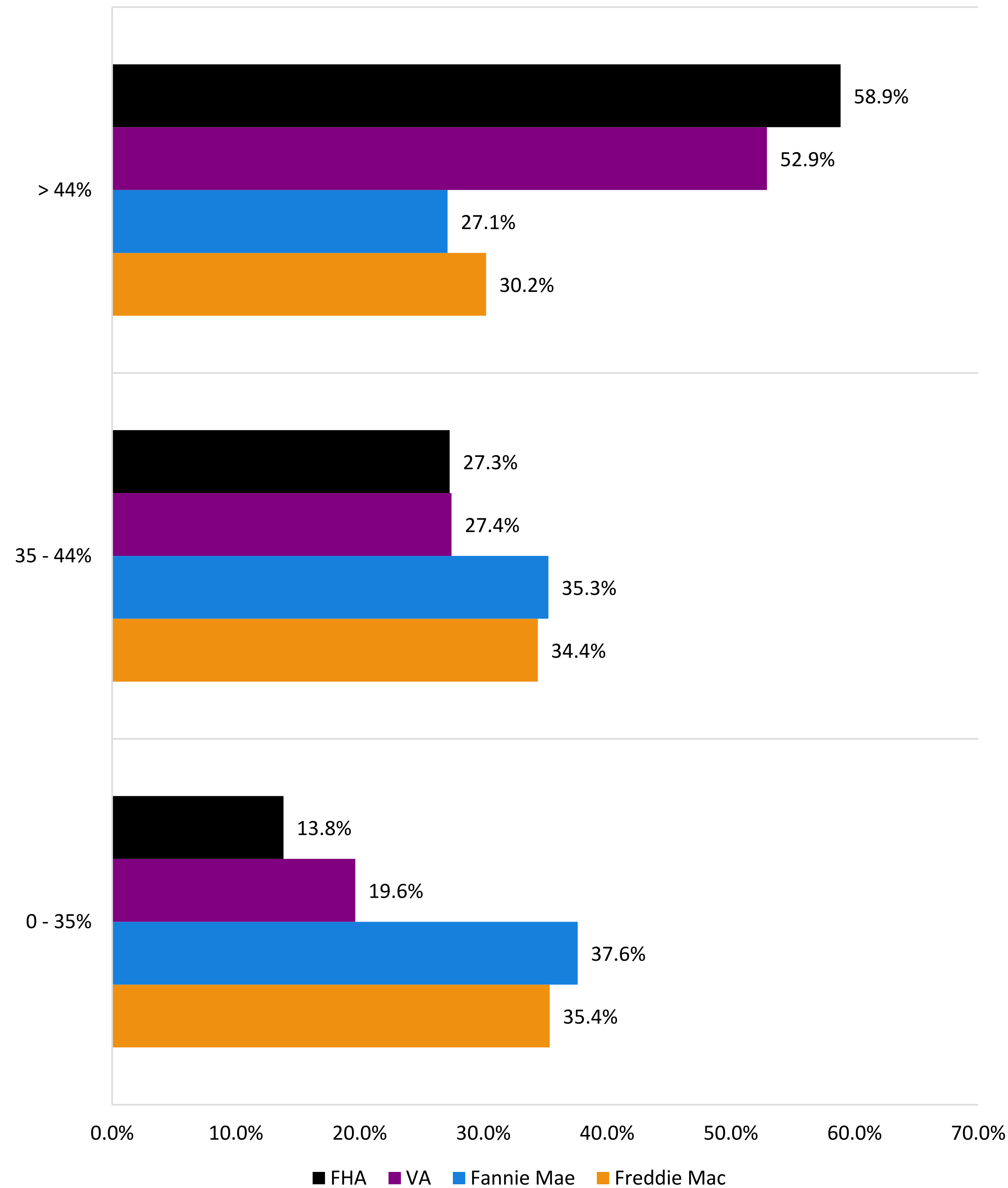
10.3 Debt-to-Income (DTI)

Table 19. Share of Loans by DTI

Purchase DTI							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	232,564	27	34	42	48	51	40
Fannie	80,937	24	31	39	45	49	38
Freddie	64,975	25	32	40	46	49	38
Ginnie	86,652	32	39	46	52	56	45
Refi DTI							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	45,020	25	33	41	46	50	39
Fannie	15,134	23	30	38	44	47	37
Freddie	12,031	24	32	40	45	49	38
Ginnie	17,855	28	36	44	50	55	43
All DTI							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	277,584	26	34	42	48	51	40
Fannie	96,071	24	31	39	45	49	38
Freddie	77,006	25	32	40	46	49	38
Ginnie	104,507	31	38	45	51	55	44
Purchase DTI: Ginnie Mae Breakdown by Source							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	86,652	32	39	46	52	56	45
FHA	54,436	34	40	47	52	55	45
VA	29,273	30	38	45	52	56	44
Other	2,943	27	31	36	40	42	35
Refi DTI: Ginnie Mae Breakdown by Source							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	17,855	28	36	44	50	55	43
FHA	11,971	29	36	44	50	55	43
VA	5,867	27	35	43	50	55	42
Other	17	27	30	33	37	40	33
All DTI: Ginnie Mae Breakdown by Source							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	104,507	31	38	45	51	55	44
FHA	66,407	33	40	46	52	55	45
VA	35,140	30	37	45	51	56	44
Other	2,960	27	31	36	40	42	35

Data as of July 2024. Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files. Note: All averages are rounded to the nearest whole number.

Figure 39. Debt-to Income by Agency



Data as of July 2024. Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files.

10.4 High LTV Loans: Ginnie Mae vs. GSEs

Comparing the three-month range of May 2023 – July 2023 to the three-month range of May 2024 – July 2024, the share of high-LTV agency loans with:

- FICO scores above 750 increased by approximately 4.6%.
- DTIs below 35% decreased by approximately 13.2%.

Ginnie Mae maintains its key role of expanding credit access to low-to-moderate income borrowers as it continues to dominate high-LTV lending, with 72.33% of its issuances between May 2024 – July 2024 having LTVs of 95 or above, compared to 22.00% for the GSEs.

Table 20. Share of Loans with LTV > 95

	Ginnie Mae	*GSE*	*All*
May 2023 – Jul 2023	71.41%	23.18%	40.78%
May 2024 – Jul 2024	72.33%	22.00%	41.31%

Table 21. Agency Market Share by DTI and FICO for Loans with LTV > 95 (May 2023 – Jul 2023)

	FICO					
DTI	**<650**	**650-700**	**700-750**	**≥750**	**NA**	**All**
<35	1.86%	2.98%	4.35%	7.66%	0.04%	16.90%
35-45	5.38%	8.15%	10.07%	12.42%	0.05%	36.07%
≥45	7.69%	12.98%	12.94%	12.16%	0.12%	45.89%
NA	0.25%	0.19%	0.11%	0.18%	0.40%	1.13%
All	**15.19%**	**24.30%**	**27.48%**	**32.42%**	**0.61%**	**100.00%**

Table 22. Agency Market Share by DTI and FICO for Loans with LTV > 95 (May 2024 - Jul 2024)

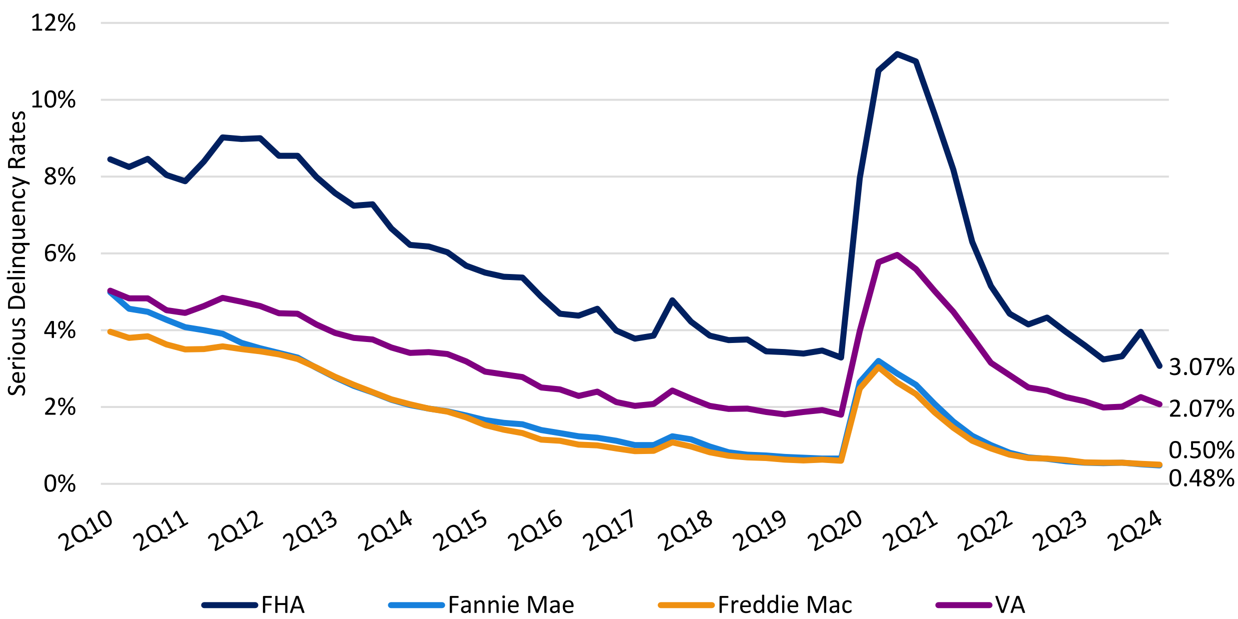
	FICO					
DTI	**<650**	**650-700**	**700-750**	**≥750**	**NA**	**All**
<35	1.59%	2.36%	3.71%	6.95%	0.07%	14.68%
35-45	4.85%	7.11%	9.34%	12.60%	0.07%	33.97%
≥45	7.41%	12.57%	13.92%	13.92%	0.13%	47.94%
NA	0.47%	0.49%	0.40%	0.44%	1.61%	3.41%
All	**14.32%**	**22.53%**	**27.37%**	**33.91%**	**1.88%**	**100.00%**

Sources: Recursion and Ginnie Mae. Data as of July 2024.

10.5 Serious Delinquency Rates

Serious delinquency rates for Single-Family VA and FHA loans fell in Q2 2024. From Q1 2024 to Q2 2024, FHA's serious delinquencies fell 89 bps to 3.07% and VA's delinquency rates saw a 19 bp decrease to 2.07%. Fannie and Freddie's serious delinquencies saw less movement than FHA and VA in Q2 2024. Fannie Mae's serious delinquency rate decreased 3 bps and Freddie Mac's rate decreased 2 bps from Q1 2024 to Q2 2024, sitting at 0.48% and 0.50%, respectively. The trend in serious delinquency rates is consistent with the decrease in the number of loans in forbearance since the 2020 pandemic.

Figure 40. Serious Delinquency Rates: Single-Family Loans



Sources: Fannie Mae and Freddie Mac Monthly Summary Reports. MBA Delinquency Survey

Note: Serious delinquency is defined as 90 days or more past due or in the foreclosure process. Data as of Q2 2024.

10.6 Credit Box

The first-time homebuyer share for agency purchase loans was 57% as of month-end July 2024, an decrease from 58.1% in June 2024 and up from 53.7% in July 2023. Ginnie Mae's first-time homebuyer share, 71.1% as of month-end July 2024, increased 6.3% YoY. Freddie Mac and Fannie Mae's first-time homebuyer shares were 46.8% and 50.1%, respectively, as of month-end July 2024. Freddie Mac's share of first-time borrowers decreased 0.2% and Fannie Mae's increased 2.5% YoY.

Table 23 shows that based on mortgages originated as of month-end July 2024 the average GSE first-time homebuyer was more likely to have a higher credit score, lower LTV, and higher interest rate compared to an average Ginnie Mae first-time homebuyer. Ginnie Mae's first-time homebuyers were more likely to have lower loan amounts and lower credit scores, while having slightly higher mortgage rates than Ginnie Mae repeat buyers.

Figure 41. First-Time Homebuyer Share: Purchase Only Loans

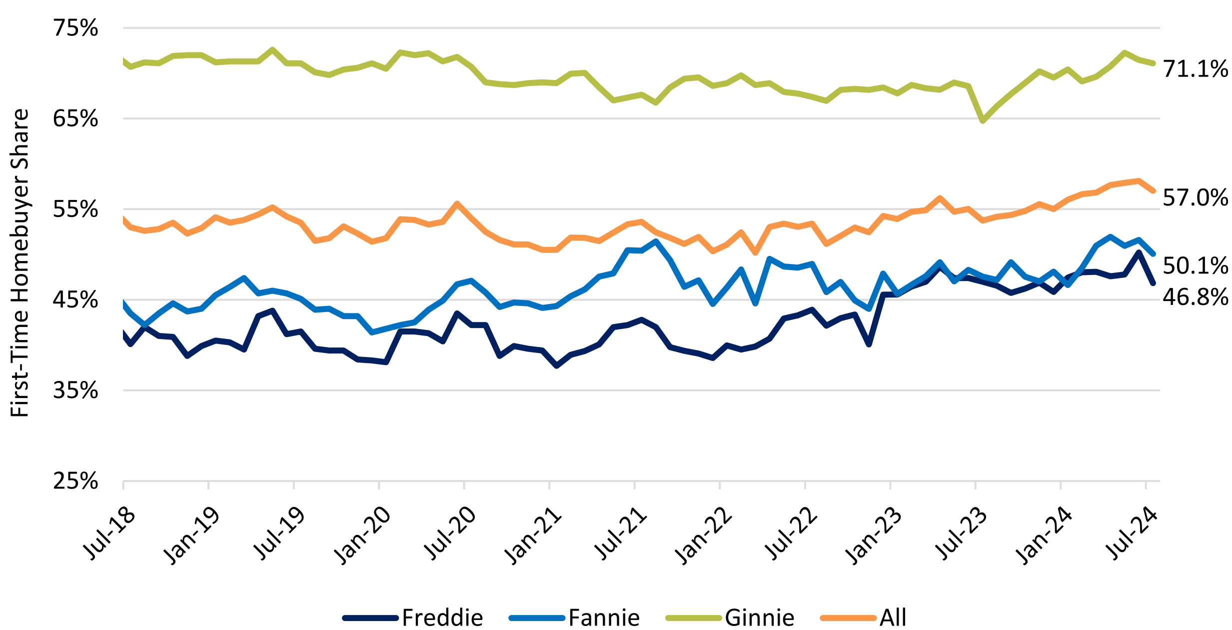


Table 23. Agency First-Time Homebuyer Share Summary

	Fannie Mae		Freddie Mac		Ginnie Mae		All	
	First-Time	*Repeat*	*First-Time*	*Repeat*	*First-Time*	*Repeat*	*First-Time*	*Repeat*
Loan Amount $	$342,104	$358,384	$344,275	$369,452	$324,127	$389,050	$334,223	$369,914
Credit Score	753	766	747	763	695	720	725	753
LTV (%)	83.5%	72.6%	83.7%	73.3%	97.2%	93.6%	89.9%	78.1%
DTI (%)	37.6%	37.6%	38.0%	38.1%	44.3%	45.5%	40.8%	39.8%
Loan Rate (%)	6.8%	6.9%	7.0%	7.0%	6.6%	6.5%	6.7%	6.8%

Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files as of July 2024

In the Ginnie Mae purchase market, 80.3% of FHA loans, 52.5% of VA loans, and 88% of “Other” loans provided financing for first-time home buyers as of month-end July 2024. The share of first-time home buyers in the Ginnie Mae purchase market decreased MtM for FHA and VA loan types and increased 2.5% for “Other” loans.

Table 24 shows that based on mortgages originated as of month-end July 2024 the credit profile of the average VA first-time homebuyer differed from the average VA repeat buyer. The average VA first-time homebuyer took out 16.8% smaller loans, had a 28.8-point lower credit score, and a 5.2% higher LTV than VA repeat buyers. VA repeat buyers faced a slightly lower interest rate than VA first-time homebuyers. FHA’s first-time homebuyers are much more like their repeat buyers, with only 5.4% smaller loans and 2.7% higher LTVs. Because FHA provides one of few credit options for borrowers with lower credit scores, repeat borrowers with weaker credit profiles are often limited to FHA financing; FHA’s repeat buyers have similar credit scores compared to their first-time home buyers.

Figure 42. First-time Homebuyer Share: Ginnie Mae Breakdown

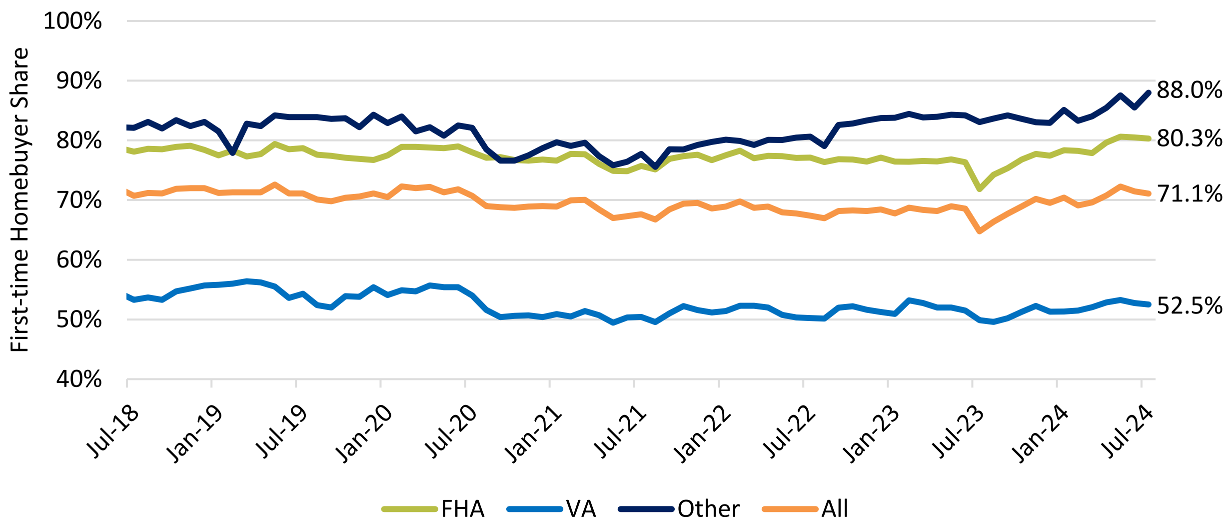


Table 24. Ginnie Mae First-Time Homebuyer Share Breakdown Summary

	FHA		VA		Other		Total	
	First-Time	*Repeat*	*First-Time*	*Repeat*	*First-Time*	*Repeat*	*First-Time*	*Repeat*
Loan Amount $	$319,328	$337,634	$359,807	$432,566	$190,512	$212,226	$324,127	$389,050
Credit Score	688	691	713	742	700	703	695	720
LTV (%)	96.7%	94.0%	98.4%	93.2%	98.0%	97.7%	97.2%	93.6%
DTI (%)	45.1%	46.8%	43.5%	44.8%	34.9%	36.1%	44.3%	45.5%
Loan Rate (%)	6.6%	6.5%	6.6%	6.5%	6.7%	6.6%	6.6%	6.5%

Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files as of July 2024. Note: LTV, DTI, and Loan Rate are rounded to nearest tenth.

10.7 Credit Box: Historical

The median FICO score for all Agency loans originated as of month-end July 2024 was 741, which represents a 4-point increase from July 2023. Ginnie Mae median FICO scores increased 8 points from 679 in July 2023 to 687 as of month-end July 2024. As of month-end July 2024, average FICO scores for refinances increased for Ginnie Mae and Freddie Mac borrowers by 5 and 7 points YoY, respectively. Average FICO scores for Fannie decreased 6 points from July 2023 to July 2024.

Figure 43. FICO Scores for All Loans

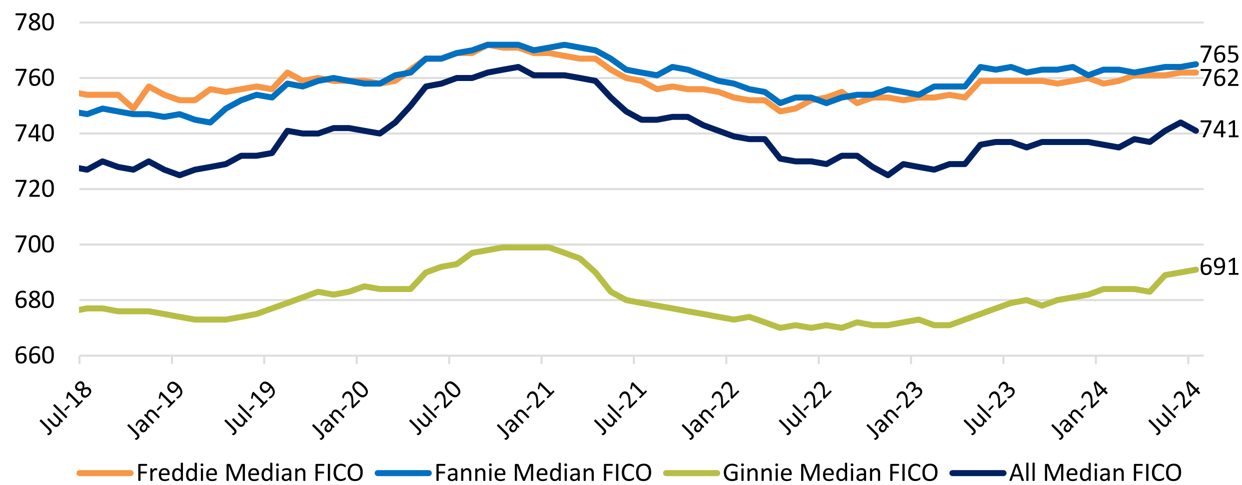


Figure 44. FICO Scores for Purchase Loans

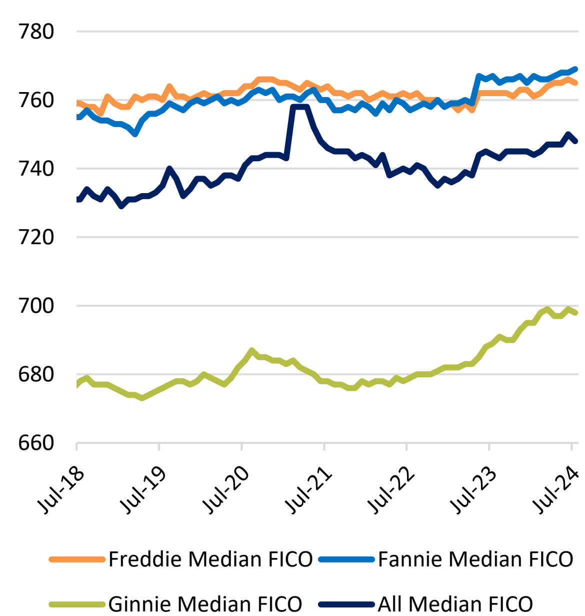
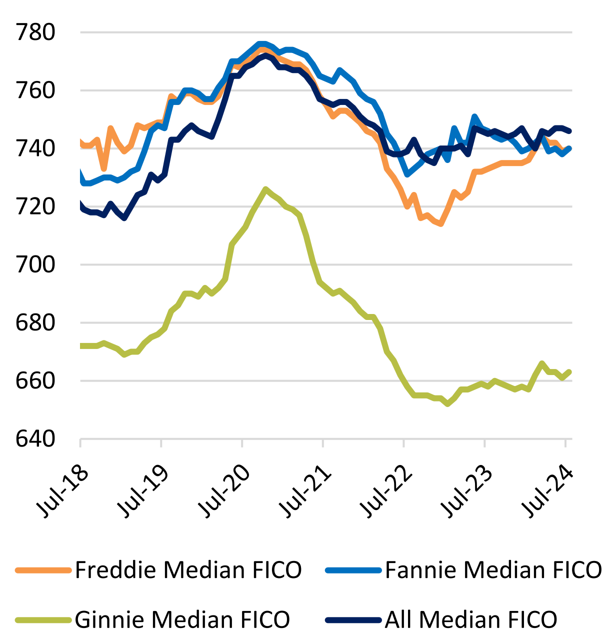


Figure 45. FICO Scores for Refinance Loans



Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files

In July 2024, the median LTV for Ginnie Mae loans was 98.2% compared to 80.0% for Fannie Mae and Freddie Mac, owing primarily to the lower down-payment requirements for government loan programs. Fannie Mae, Freddie Mac, and Ginnie Mae noted their LTV ratios remain flat YoY from July 2023 to July 2024. In July 2024, median DTIs for Ginnie Mae, Freddie Mac, and Fannie Mae were 45.3%, 40.0%, and 39.0%, respectively. In July 2023, median DTIs for Ginnie Mae, Freddie Mac, and Fannie Mae were 45.0%, 40.0%, and 39.0%, respectively.

Figure 46. LTV Ratio for All Loans

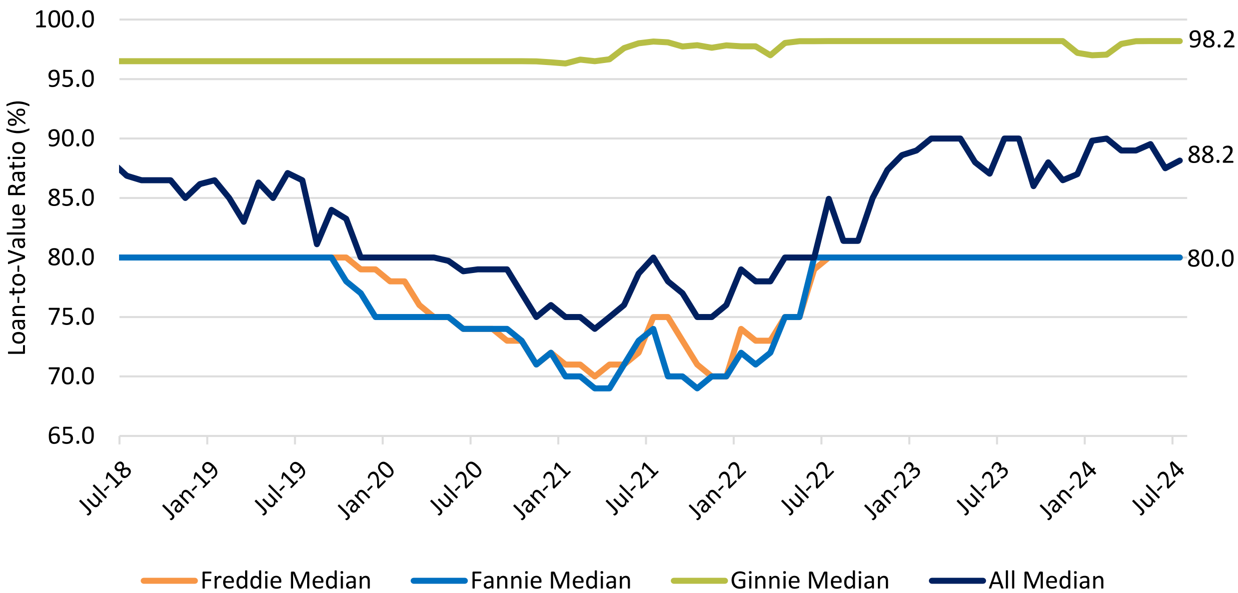
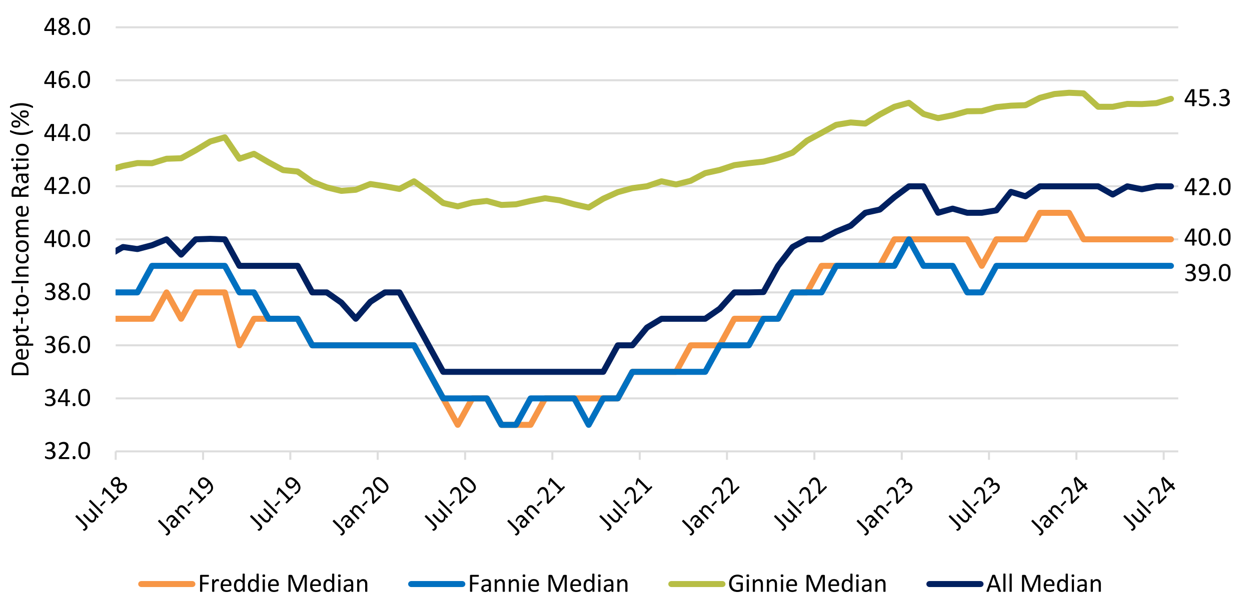


Figure 47. DTI Ratio for All Loans



Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files.

11 FORBEARANCE TRENDS

At the end of July 2024, 39,135 Ginnie Mae loans were in forbearance. The number of loans in forbearance removed from MBS pools in July 2024 was 134 while 39,001 loans in forbearance remained in pools. The number of loans in forbearance, both the number of loans that remained in pools, and the number of loans removed from MBS pools increased for Ginnie Mae. The median current principal balance for Ginnie Mae, FHA, and VA was higher for loans in forbearance originated by nonbanks than banks in all subsets.

Tables 25-27. Forbearance Snapshot

All Loans in Forbearance – July 2024

	FICO Score*	Note Rate (%) *	Current Principal Balance Median	First Time Homebuyer Share (%)	Purchase Share (%)	Loan Count
Ginnie	653	4.4	201,911	74.7	76.2	39,135
Bank	671	4.4	160,652	83.1	89.2	6,726
Nonbank	650	4.4	211,151	73.2	74.2	32,373
FHA	651	4.5	195,555	77.4	78.1	34,263
Bank	670	4.5	160,218	85.5	89.4	6,282
Nonbank	648	4.4	204,934	75.9	76.2	27,947
VA	661	4.4	274,654	54.9	63.9	4,053
Bank	684	4.1	255,102	48.6	85.3	275
Nonbank	660	4.4	275,631	55.4	62.4	3,777

Loans in Forbearance and Removed from Pools – July 2024

	FICO Score*	Note Rate (%) *	Current Principal Balance Median	First Time Homebuyer Share (%)	Purchase Share (%)	Loan Count
Ginnie	643	5.3	217,081	67.2	70.6	134
Bank	664	5.5	98,939	85.7	48.2	24
Nonbank	641	5.3	244,545	66.5	72.0	110
FHA	640	5.4	217,893	66.9	70.4	119
Bank	660	5.5	106,092	85.7	48.2	22
Nonbank	639	5.3	246,224	66.1	72.0	97
VA	662	4.9	252,557	62.1	67.4	11
Bank	762	6.9	57,192	0.0	0.0	1
Nonbank	659	4.9	266,255	62.1	67.4	10

Loans in Forbearance that Remain in Pools – July 2024

	FICO Score*	Note Rate (%) *	Current Principal Balance Median	First Time Homebuyer Share (%)	Purchase Share (%)	Loan Count
Ginnie	653	4.4	201,881	74.7	76.2	39,001
Bank	671	4.4	160,775	83.1	89.3	6,702
Nonbank	650	4.4	211,065	73.2	74.2	32,263
FHA	651	4.4	195,505	77.5	78.1	34,144
Bank	670	4.5	160,372	85.5	89.5	6,260
Nonbank	648	4.4	204,788	75.9	76.2	27,850
VA	661	4.4	274,658	54.9	63.9	4,042
Bank	684	4.1	255,520	48.6	85.3	274
Nonbank	660	4.4	275,631	55.4	62.4	3,767

*Sources: Ginnie Mae loan level MBS disclosure and forbearance file and Ginnie Mae Issuer Operational Performance Profile (IOPP) -Peer Group Listings. Notes: Data as of July 2024; *Averages weighted by remaining principal balance of the loans.*

12 HOLDERS OF GINNIE MAE MORTGAGE SERVICING RIGHTS

The 30 largest owners of mortgage servicing rights (MSR) by UPB for loans collateralizing Ginnie Mae MBS are shown in **Table 28.** The top 30 firms collectively own 88.55% of Ginnie Mae MSRs (see Cumulative Share). Twenty-two of these top 30 are non-depository institutions, the remaining eight are depository institutions. As of July 2024, over half (51.45%) of the Ginnie Mae MSRs are owned by the top five firms.

Table 28. Top 30 Holders of Ginnie Mae Mortgage Servicing Rights (MSRs), by UPB

MSR Holder	*Current*	*Rank Year prior*	*Change*	*UPB ($)*	*Share*	*Cumulative Share*	*CPR*	*CDR*
Lakeview Loan Servicing	1	1	↔	$361,323,770,422	15.0%	15.02%	8.63%	0.99%
DBA Freedom Mortgage	2	2	↔	$334,647,868,825	13.9%	28.92%	8.43%	0.70%
PennyMac Loan Service	3	3	↔	$282,886,733,746	11.8%	40.68%	8.75%	1.08%
Newrez LLC	4	5	↑	$133,242,392,025	5.5%	46.21%	8.66%	0.83%
Mr. Cooper (Nationstar)	5	4	↓	$125,934,452,815	5.2%	51.45%	9.61%	2.01%
Rocket Mortgage	6	6	↔	$113,712,977,070	4.7%	56.17%	10.10%	0.30%
Carrington Mortgage	7	8	↑	$112,985,019,003	4.7%	60.87%	7.52%	0.90%
Wells Fargo Bank	8	7	↓	$92,792,374,326	3.9%	64.72%	6.67%	0.30%
Planet Home Lending	9	9	↔	$72,879,662,727	3.0%	67.75%	8.24%	0.31%
U.S. Bank	10	10	↔	$57,026,578,948	2.4%	70.12%	6.14%	0.57%
United Wholesale Mortgage	11	11	↔	$39,321,854,524	1.6%	71.76%	6.25%	1.40%
LoanDepot	12	12	↔	$38,398,816,227	1.6%	73.35%	10.59%	2.01%
Navy Federal Credit Union	13	13	↔	$32,790,938,683	1.4%	74.72%	7.31%	0.25%
Mortgage Research Center	14	15	↑	$30,889,722,971	1.3%	76.00%	12.45%	1.05%
M&T Bank	15	14	↓	$26,169,498,071	1.1%	77.09%	6.24%	0.45%
Guild Mortgage Company	16	16	↔	$25,349,473,760	1.1%	78.14%	6.74%	0.25%
CrossCountry Mortgage	17	19	↑	$23,381,957,660	1.0%	79.11%	11.87%	2.87%
The Money Source	18	17	↓	$22,540,025,882	0.9%	80.05%	7.75%	1.05%
New American Funding	19	21	↑	$21,474,687,520	0.9%	80.94%	8.21%	1.35%
CMG Mortgage	20	23	↑	$21,070,549,765	0.9%	81.82%	7.60%	1.46%
Truist Bank	21	20	↓	$20,118,189,606	0.8%	82.65%	8.11%	1.28%
Movement Mortgage	22	22	↔	$19,632,396,868	0.8%	83.47%	9.76%	0.69%
Village Capital & Investment	23	NR	↓	$19,147,776,666	0.8%	84.26%	24.53%	4.93%
Idaho Housing and Finance	24	24	↔	$18,943,461,701	0.8%	85.05%	4.92%	0.78%
AmeriHome Mortgage	25	18	↓	$18,817,252,454	0.8%	85.83%	11.99%	1.90%
PHH Mortgage Corporation	26	25	↓	$17,687,260,346	0.7%	86.57%	6.36%	0.71%
Citizens Bank, N.A.	27	26	↓	$13,679,500,872	0.6%	87.14%	7.02%	0.42%
Flagstar Bank, N.A.	28	27	↓	$12,515,197,434	0.5%	87.66%	10.53%	2.00%
MidFirst Bank	29	28	↓	$10,936,184,140	0.5%	88.11%	9.88%	4.06%
Sun West Mortgage Co	30	30	↔	$10,548,593,439	0.4%	88.55%	7.76%	0.23%

Sources: Deloitte, Recursion. Notes: Data as of July 2024.

13 AGENCY NONBANK ORIGINATORS

Total Agency nonbank origination shares increased as of month-end July 2024 by approximately 4.3% MoM. The increase in nonbank origination share was driven by increases in Freddie Mac, up 7.1% MoM, and Fannie Mae, up 5.3% MoM. The Ginnie Mae nonbank share rose slightly to 93.8% as of July 2024 and has remained consistently higher than the GSEs.

Figure 48. Agency Nonbank Origination Share (All, Purchase, Refi)

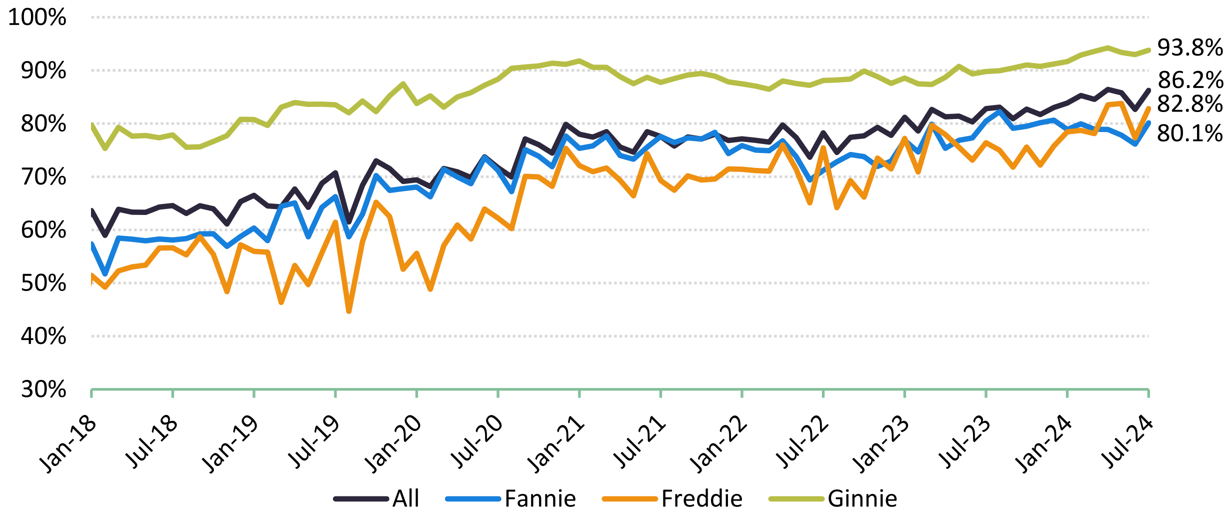


Figure 49. Nonbank Origination Share: Purchase Loans

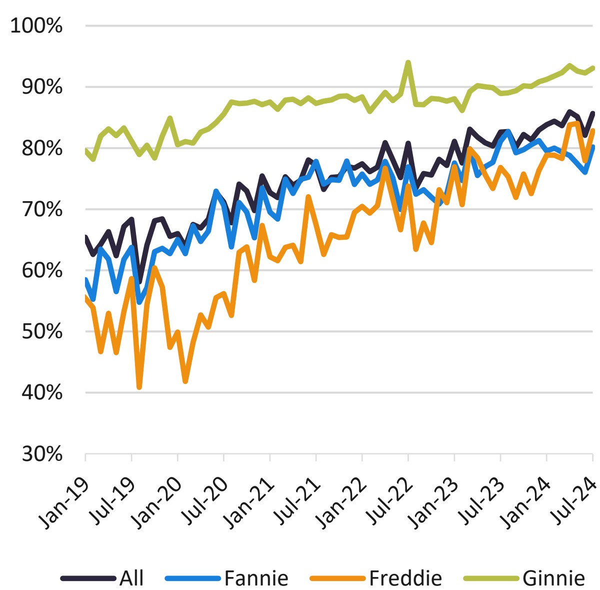
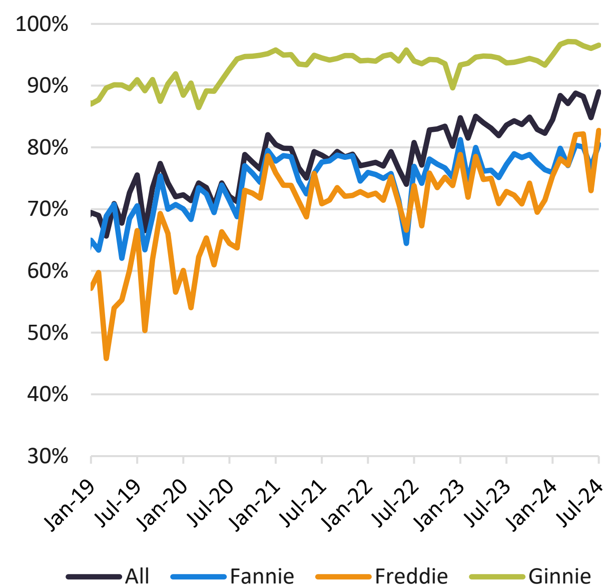


Figure 50. Nonbank Origination Share: Refi Loans



Source: Recursion. Notes: Data as of July 2024.

Ginnie Mae's total nonbank originator share remained relatively stable as of month-end July 2024. Ginnie Mae continues to have a high proportion of nonbank originations, with a rate of 93.8% in July 2024. The percentage of Ginnie Mae's "Other" nonbank refinanced loans increased to 69.5% in July 2024.

Figure 51. Ginnie Mae Nonbank Originator Share (All, Purchase, Refi)

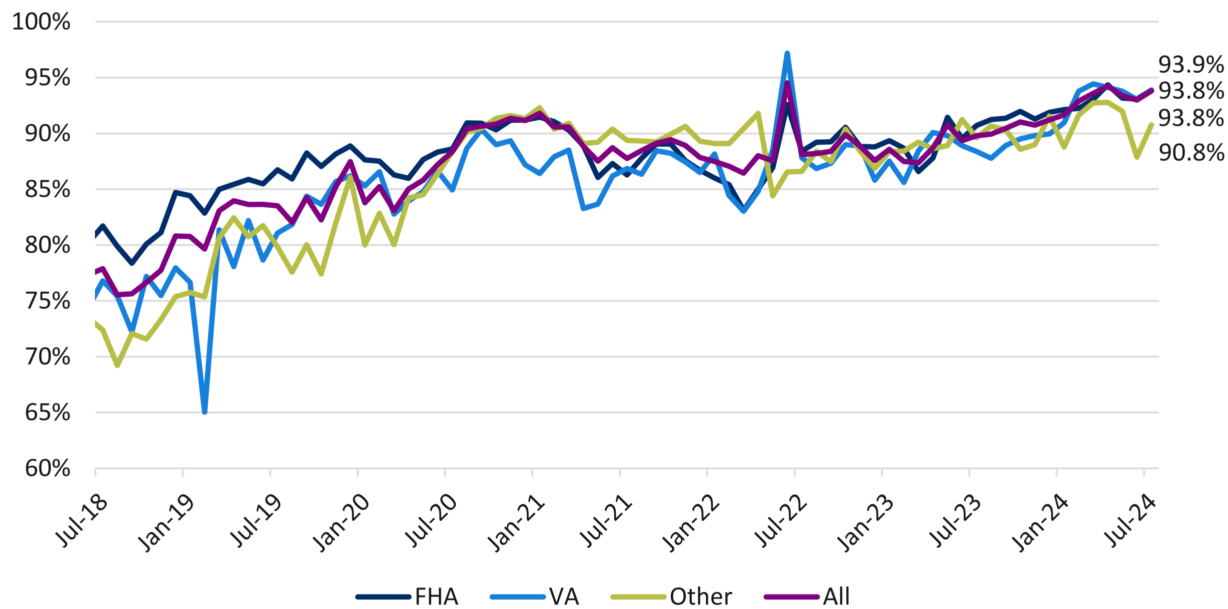


Figure 52. Ginnie Mae Nonbank Share: Purchase Loans

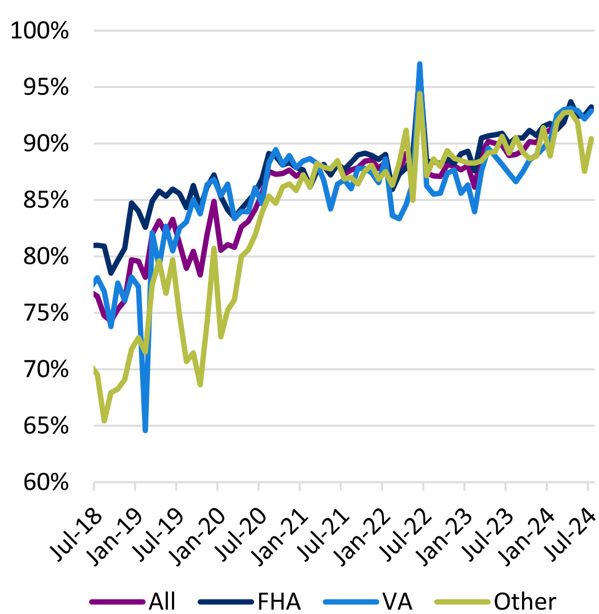
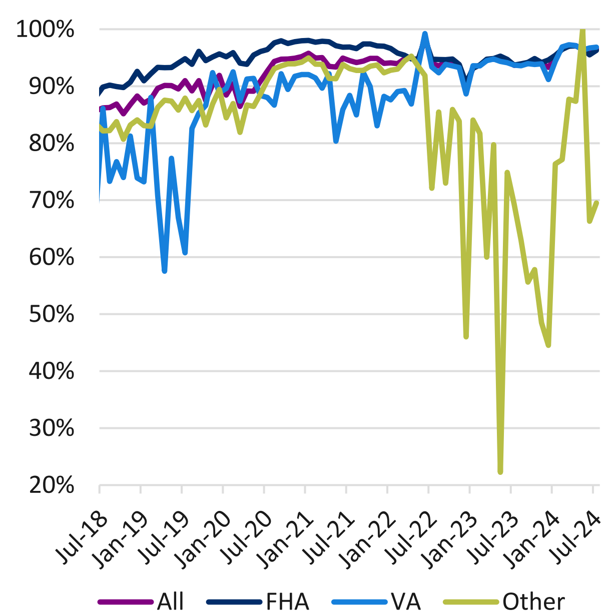


Figure 53. Ginnie Mae Nonbank Share: Refi Loans



Source: Recursion. Notes: Data as of July 2024.

14 BANK VS. NONBANK ORIGINATORS HISTORICAL CREDIT BOX, GINNIE MAE VS. GSE

14.1.1 (FICO, LTV, DTI)

The mortgage loan originations of nonbanks continue to have a consistently lower median FICO score than their bank counterparts across all Agencies. The spread between nonbank and bank FICO scores remained at 21 points from June 2024 to July 2024. The agency median FICO score decreased to 741 in July 2024.

Figure 54. Agency FICO: Bank vs. Nonbank

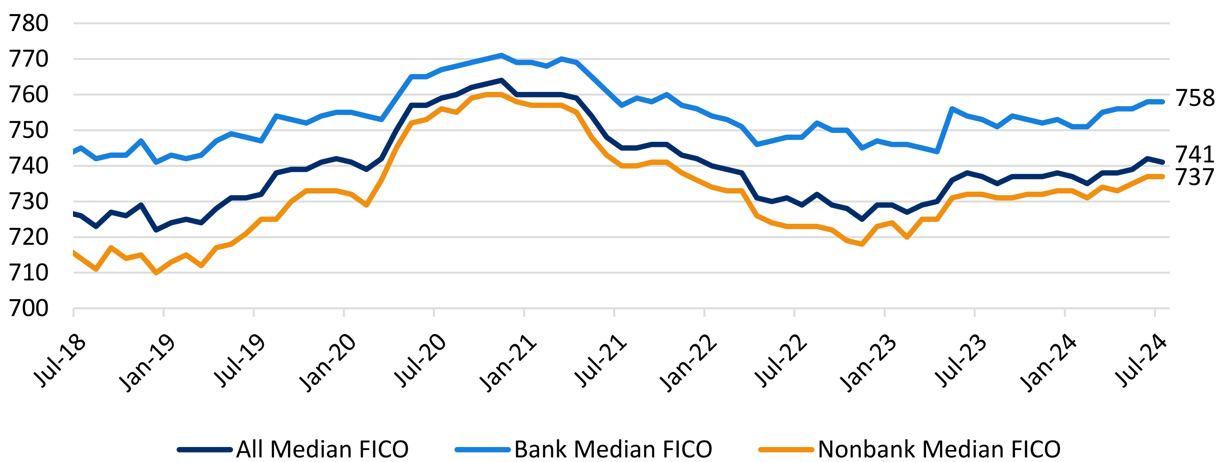


Figure 55. GSE FICO: Bank vs. Nonbank

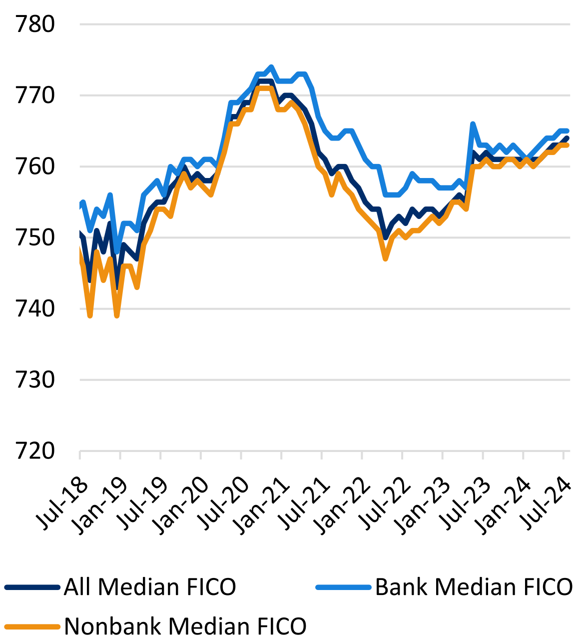
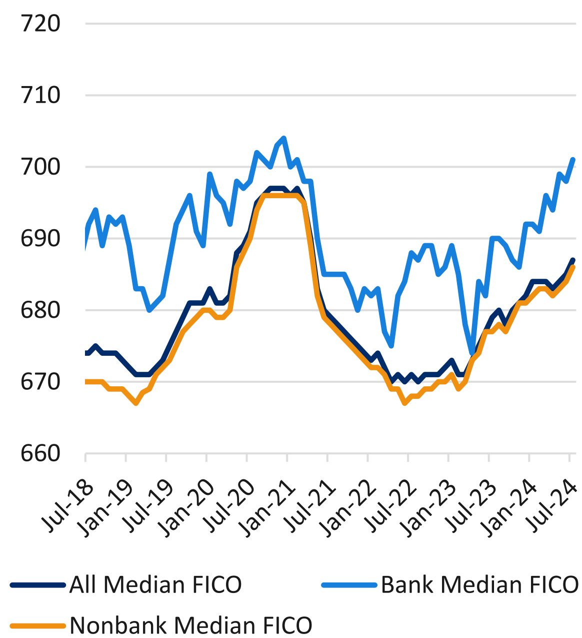


Figure 56. Ginnie Mae FICO: Bank vs. Nonbank



Source: Recursion: Notes: Data as of July 2024.

The median LTV for all GSE originators remained the same as of month-end July 2024 at 80.0%. Ginnie Mae's median bank and nonbank LTV remained flat at 98.2% as of month-end July 2024. Ginnie Mae's median DTI increased slightly to 45.5% through July 2024 in nonbank originations.

Figure 57. GSE LTV: Bank vs. Nonbank

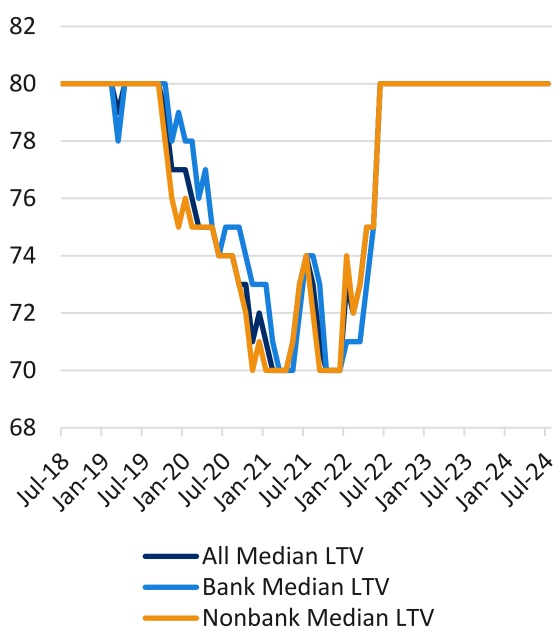


Figure 58. Ginnie Mae LTV: Bank vs. Nonbank

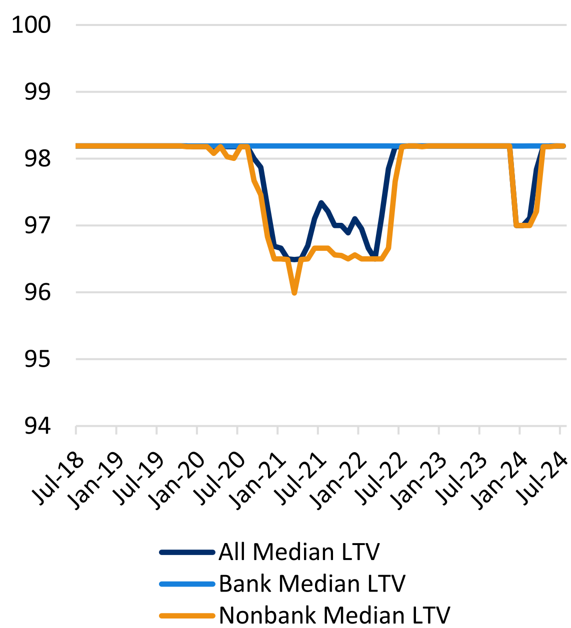


Figure 59. GSE DTI: Bank vs. Nonbank

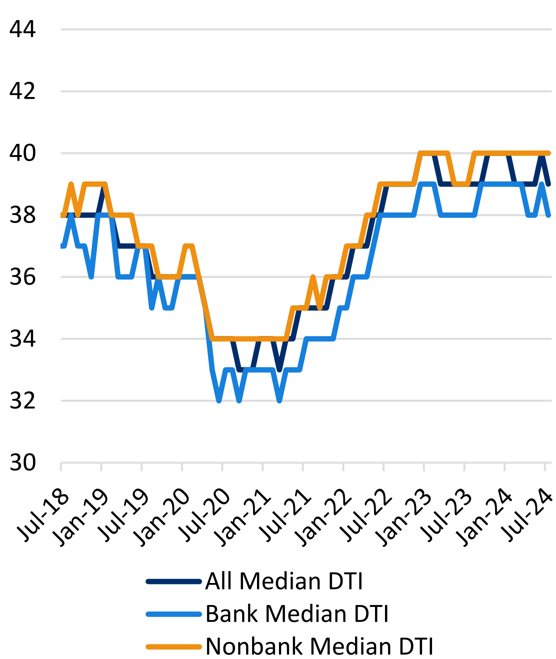
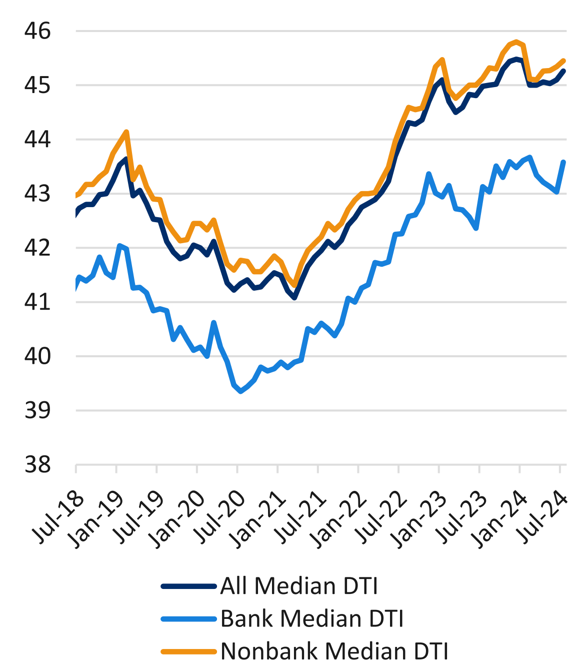


Figure 60. Ginnie Mae DTI: Bank vs. Nonbank



Source: Recursion. Notes: Data as of July 2024.

As of month-end July 2024, the median FICO score for Ginnie Mae bank originations increased 3 points MtM to 701 and nonbank increased 2 points MtM to 686. The median FICO score for all Ginnie originations rose to 687. The gap between banks and nonbanks is most apparent in "VA" lending (26-point spread).

Figure 61. Ginnie Mae FICO Score: Bank vs. Nonbank

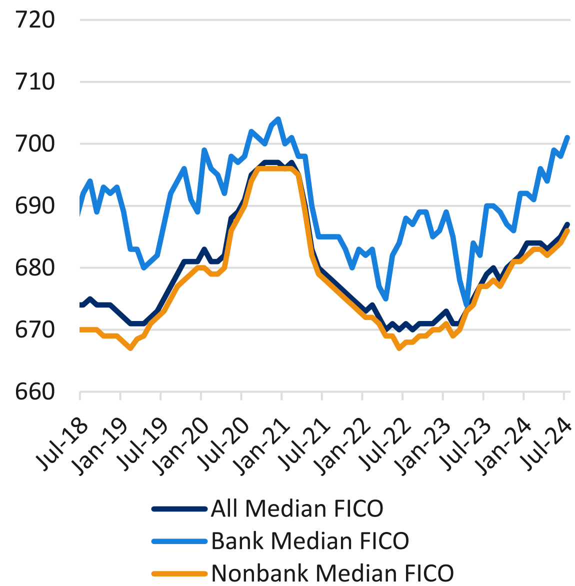


Figure 62. Ginnie Mae FHA FICO Score: Bank vs. Nonbank

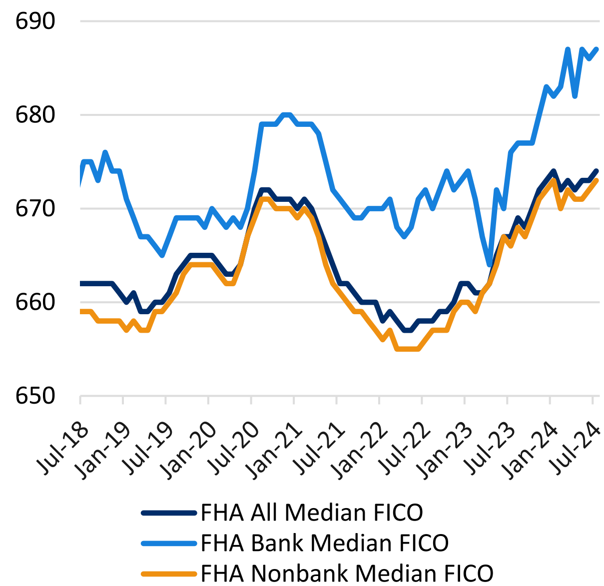


Figure 63. Ginnie Mae VA FICO Score: Bank vs. Nonbank

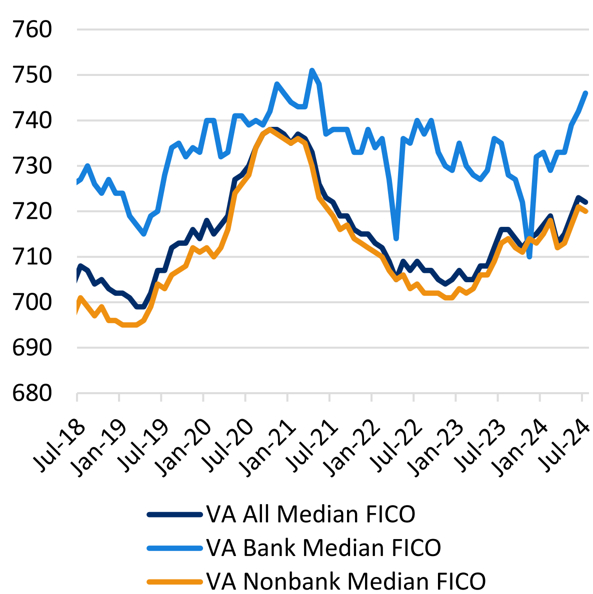
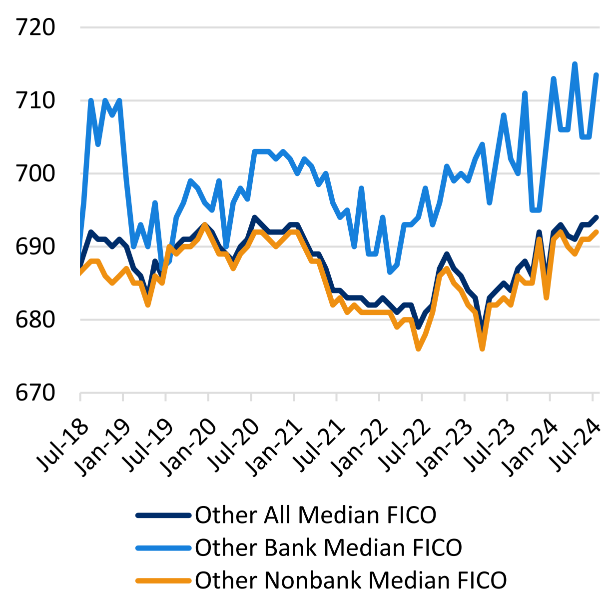


Figure 64. Ginnie Mae Other FICO Score: Bank vs. Nonbank



Source: Recursion. Notes: Data as of July 2024.

Median DTI for Ginnie Mae's nonbank originations has been consistently higher than the median DTI for Ginnie Mae bank originations. This is a trend evident for all Ginnie Mae-eligible loan types except for the "Other" category, where the spread between median bank and nonbank DTI is relatively small.

Figure 65. Ginnie Mae DTI: Bank vs. Nonbank

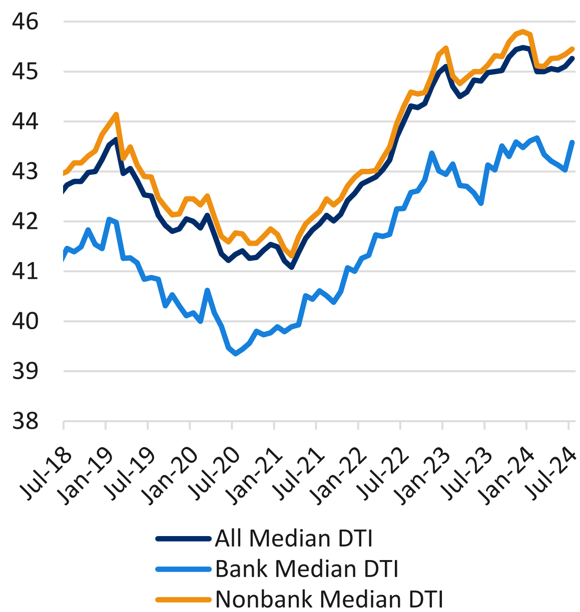


Figure 66. Ginnie Mae FHA DTI: Bank vs. Nonbank

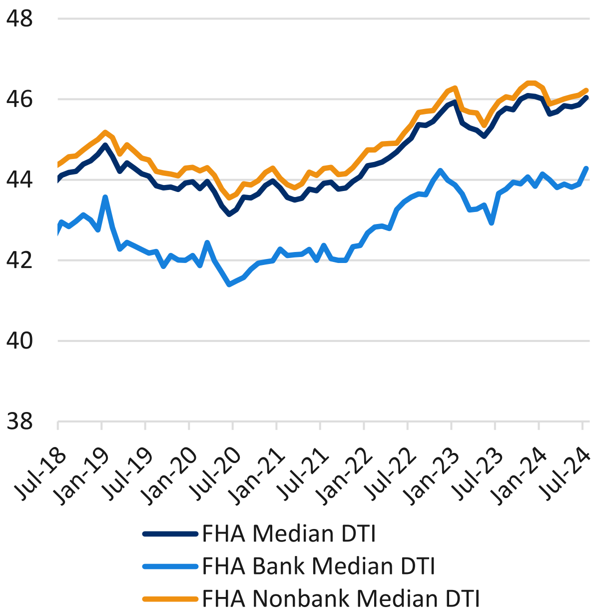


Figure 67. VA DTI: Bank vs. Nonbank

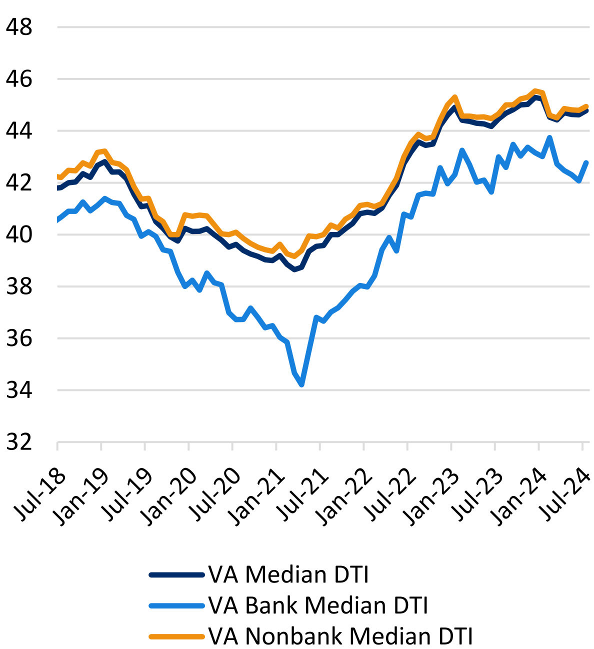
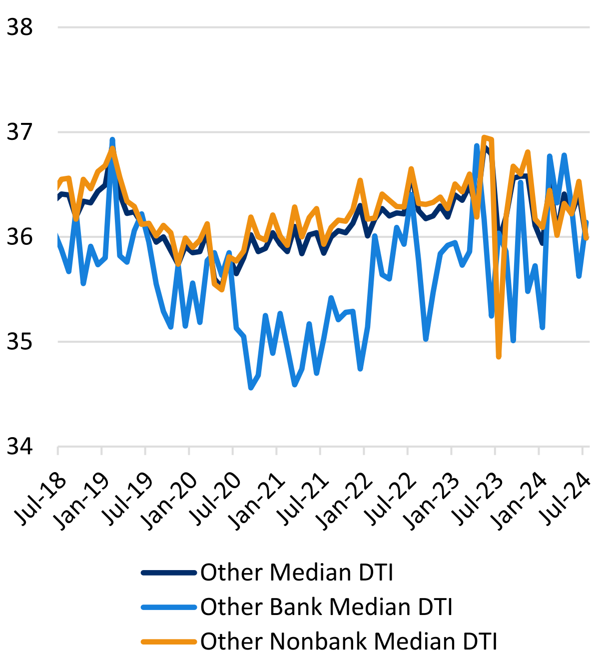


Figure 68. Other DTI: Bank vs. Nonbank



Source: Recursion. Notes: Data as of July 2024.

15 ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

Ginnie Mae Mortgage-Backed Securities are collateralized by loans that facilitate homeownership for low-to-moderate income (LMI) borrowers, veterans, rural borrowers, and others that traditionally experience challenges in their efforts to achieve homeownership or obtain housing. Ginnie Mae is enhancing their disclosures to provide insight into the extent that the securities they guarantee support meaningful environmental and social goals. The timeline below captures the efforts Ginnie Mae has taken to produce ESG disclosures in recent years.

May 2021	LMI "Social" Disclosures (% of loans in LMI Areas)
June 2021	Disclosures revealed approximately $259 billion of Outstanding Ginnie Mae MBS categorized as LMI area loans as defined by HUD's CDBG
November 2021	Green "Environmental" Status Disclosures Announced identifies Green properties within Multifamily Pools.
March 2022	Full implementation of Green Status Field into Multifamily Disclosures
April 2022	Introduction of Affordable Status Disclosure for Multifamily properties
February 2023	Low-Moderate Income Borrower (LMIB) Disclosure Announced
September 2023	Social Bond Program Introduced
December 2023	ESG Page Enhancement for Platinum Pool Search Results

15.1 Environmental, Social, and Governance: A Summary

Ginnie Mae's guaranty of the securities provides a connection between the primary and secondary mortgage markets that promote access to mortgage credit throughout the Nation for residential and multifamily properties. The table below captures the outcomes Ginnie Mae has seen, both socially and environmentally, through its guaranty program.

Table 29. ESG Metrics – MBS Portfolio (July 2024)

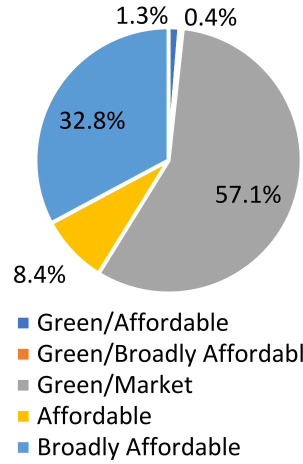
Ginnie Mae's ESG Metrics – MBS Portfolio as of July 2024				
	Targeted Population	**Positive Outcomes**	**Our Commitment**	
Social - Affordable	FHA Borrowers – 7,065,137 VA Borrowers – 3,650,957 RHS Borrowers – 774,538 PIH Borrowers – 23,793	**Loans under $200K** 6,498,946 Loans **First-Time Home Buyers** 4,410,449 Loans **Down Payment Assistance** 699,795 Loans	Ginnie Mae was established by Congress in 1968 to offer broad access to credit nationwide with a special emphasis on low- and moderate-income borrowers, and rural, inner-city, and underserved communities. Ginnie Mae securitization provides a unique and sustainable service in making home ownership more affordable, accessible, and equitable for our nation. The proceeds from the sale of Ginnie Mae Primary Issuance MBS are a source of capital to finance the specific residential mortgage loans collateralizing the Ginnie Mae MBS. Ginnie Mae securitization collateral selection is restricted to agency insured mortgages from the following United States Government Agencies. These agencies are the: Federal Housing Administration (FHA), Department of Veterans Affairs (VA), United States Department of Agriculture's Rural Housing Service (USDA-RHS), and HUD Public and Indian Housing (PIH). The combination of these insuring agency programs and Ginnie Mae's guaranty enable housing outcomes for households who might otherwise not be able to obtain mortgage access.	**Single Family**
	Low-to-Moderate Income Borrowers (LMI)	3,264,647 Loans		
	LMI Majority Census Tract Loans	1,766,057 Loans		
	Borrowers Facing Difficulties	790,639 modifications with over 780,305 in partial claims	Ginnie Mae has been integral to the federal actions to prevent foreclosure for homeowners experiencing financial hardship.	
	Senior Citizens Aging in Place	270,854 Home Equity Convertible Mortgages (HECM) or Reverse	Ginnie Mae has developed the securities market for the FHA HECM (Reverse Mortgage) program which provides senior citizens a vehicle for accessing the equity in their homes.	**HECM**
	Multifamily Housing (MF)	1.317 million apartment homes 492,426.00 healthcare living units	Affordable rental housing is in critically short supply. Government lending and subsidy programs support preservation and creation of new affordable housing units nationwide.	**Multi-Family**
	MF Affordable	5,033 MF loans are either Green, Affordable, or both	Ginnie Mae provides information to investors via its monthly bond disclosure on multifamily investments that meet FHA's MF Green Mortgage Insurance Premium (MIP) Discount Qualified Mortgages and those loans meeting FHA's MF Broadly Affordable and Affordable requirements.	
Green	MF Green			

15.2 Environmental

Table 30. UPB by ESG Status – Multifamily Portfolio

ESG Status	UPB	%
Green/Affordable	$1,115,956,880	0.7%
Green/Broadly Affordable	$350,964,393	0.2%
Green/Market	$48,683,845,707	31.9%
Green Total	$50,150,766,980	32.9%
Affordable[5]	$7,125,669,216	4.7%
Broadly Affordable[9]	$27,978,002,010	18.3%
Affordable Total	$36,570,592,500	24.0%
ESG Total[6]	$85,254,438,206	55.9%
Grand Total	**$152,543,385,615**	**100.0%**

Figure 69. Composition of Ginnie Mae Green Status and Affordable Multifamily Collateral



Much of Ginnie Mae's environmental impact is made through its Multifamily programs. Around 32.9% of Ginnie Mae collateral are "Green"-certified, as defined by the multiple organizations that sponsor and maintain green building certifications, including the U.S. Green Building Council, Energy Star, Greenpoint, and the National Green Building Standard, just to name a few. Additionally, roughly 24.0% of Ginnie Mae Multifamily collateral is "Affordable" or "Broadly Affordable". In total 55.9% of Ginnie Mae's Multifamily collateral is considered ESG.

15.3 Social

With the introduction of Ginnie Mae's new social disclosures, investors can now identify the number of underlying loans made to LMI borrowers, the percentage of LMI loan count out of total loan count, the unpaid principal balance (UPB) of LMI loans in the MBS, and the percentage of LMI UPB out of total MBS UPB. The borrower household income and address data, received from the government's insuring and guarantying agencies, is compared against the appropriate Federal Financial Institution's Examination Council (FFIEC) Area Median Income (AMI) database by loan origination year. If the borrower income is less than 80% of the AMI value in the associated census tract, their mortgage will be flagged as an LMI loan. In September 2023, Ginnie Mae launched its Social Bond update to its Single-Family Forward MBS program and its Social Impact and Sustainability Framework. These enhancements highlight the structural aspects of Ginnie Mae's mission and program to expand broader access to mortgage financing, affordable homeownership, and rental opportunities for historically underserved communities. In December 2023, Ginnie Mae added Low/Moderate Geographic Area Values and Low/Moderate Borrower Income Values to its Platinum pool securities including UPB amount and UPB percentage.

Sources: Ginnie Mae Disclosures as of July 2024, https://www.hud.gov/program_offices/housing/mfh/green

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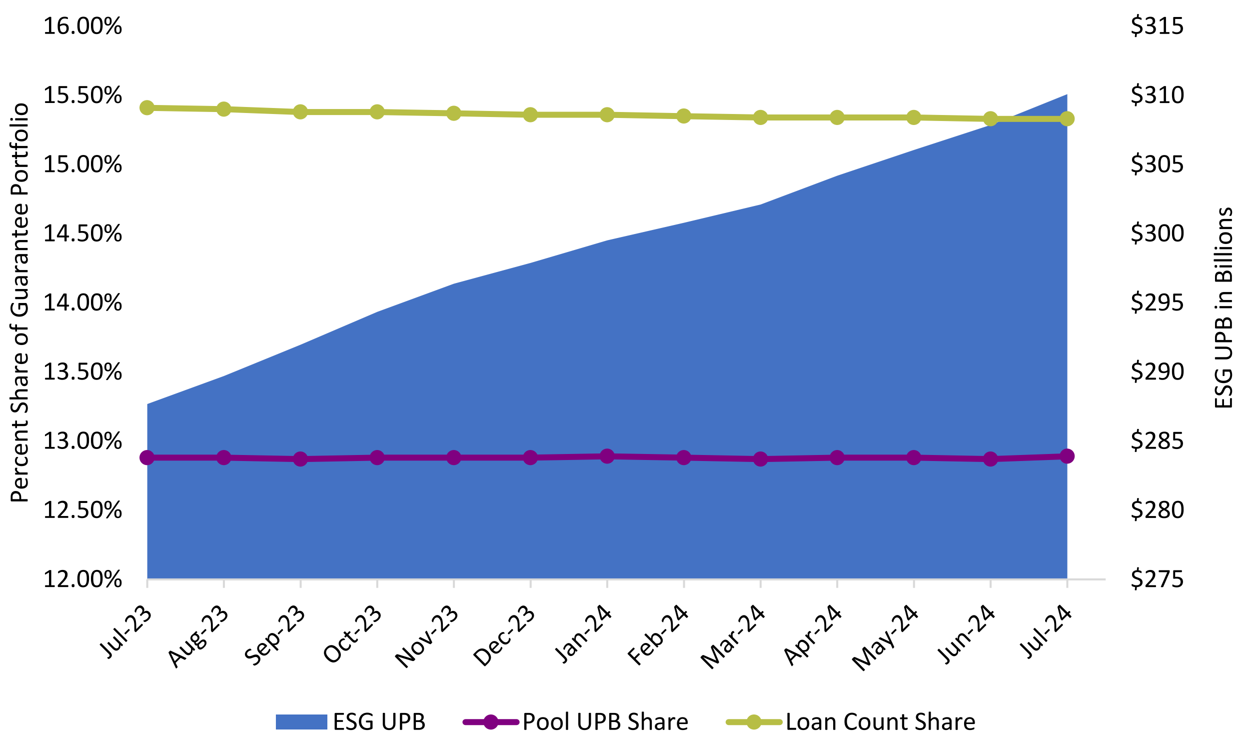
[5] *"Affordable" and "Broadly Affordable" removes "Green/Affordable" and "Green/Broadly Affordable" from the UPB total. Affordable total includes both Green and Not Green.*

[6] *ESG Total includes Green/Market & Affordable Total*

15.3.1 Low-to-Moderate Income Borrowers

Roughly $310 billion of Ginnie Mae Single-Family collateral and over 1.76 million loans outstanding have been issued to low to moderate income borrowers. Total ESG UPB increased by approximately $22 billion YoY.

Figure 70. ESG Share of the Outstanding SF Portfolio



Source: Ginnie Mae Disclosures as of July 2024

The UPB of pools that are made up of 20% or more LMI loans make up over 9% of total pool UPB. These pools have slightly higher LTV, marginally lower FICO scores, and substantially lower loan sizes than pools made up of less than 20% LMI loans. The UPB of pools that are made up of less than 20% LMI loans make up roughly 91% of total UPB.

Table 31. Percent LMI by Pool Share

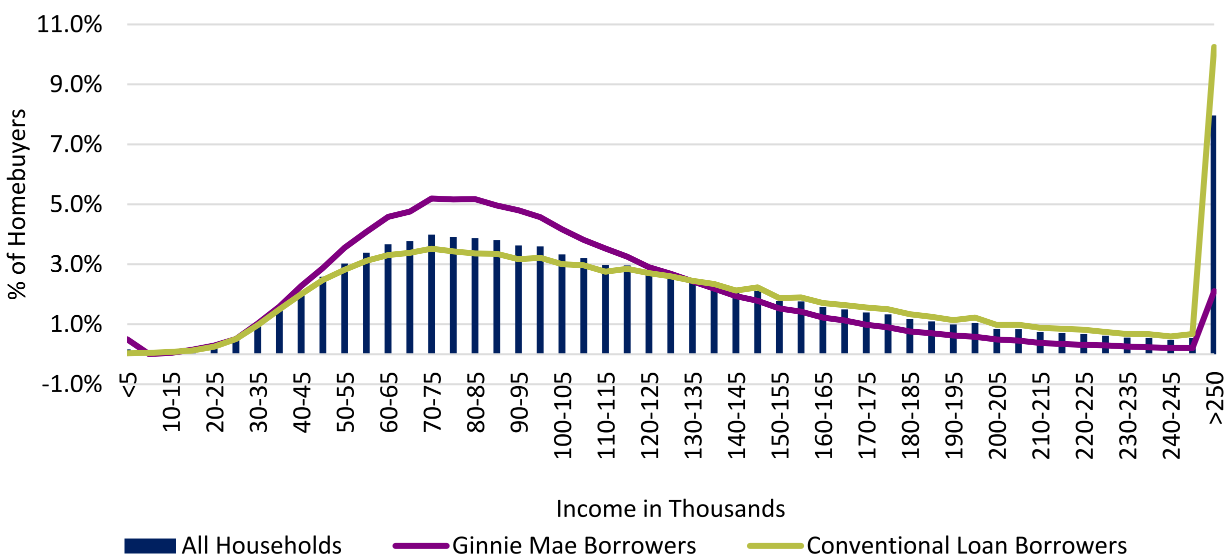
Metric	LMI Pool Share >50%	LMI Pool Share 20% - 50%	LMI Share < 20%	All Pools
Total UPB ($ billions)	$8.91	$211	$2,132	$2,352
Average Original Loan Size	$184,720	$199,397	$345,455	$331,745
Credit Score (Median)	674	675	679	677
DTI (Median)	41%	40%	41%	41%
LTV (Median)	97%	96%	95%	96%
Interest Rate (WA)	4.91%	4.80%	4.10%	4.16%

Source: Ginnie Mae Disclosures as of July 2024

15.3.2 Purchase and Refinance Origination by Income Bracket

Over 36.6% of all purchase and refinance loan originations guaranteed by Ginnie Mae are to households with income less than $80,000 compared to 27.6% of the GSE's Single-Family guarantee portfolio. Additionally, around 73.8% of these loan originations guaranteed by Ginnie Mae are to households with income less than $125,000 compared to 55.0% at the GSEs.

Figure 71. Income Distribution of Homebuyers Served Under Ginnie Mae Program



Source: Home Mortgage Disclosure Act (HMDA) data as of 2023

U.S. HOUSING MARKET

16 HOUSING AFFORDABILITY

16.1 Housing Affordability – Home Price Appreciation

Quarterly home prices increased in seven of the nine regions in Q1 2024. The New England and West North Central regions saw the largest quarterly appreciation in the home price index (HPI) of 1.54% and 1.41%, respectfully. The East South Central and Middle Atlantic regions saw a QoQ decrease in HPI of around 0.02% each. The New England region has appreciated more than any other region over the past year, increasing by 9.21% from Q1 2023 to Q1 2024. The United States collectively saw a 6.6% rise in HPI YoY; up from a 4.63% YoY HPI in Q1 2023.

Figure 72. Regional HPI Trend Analysis Q/Q

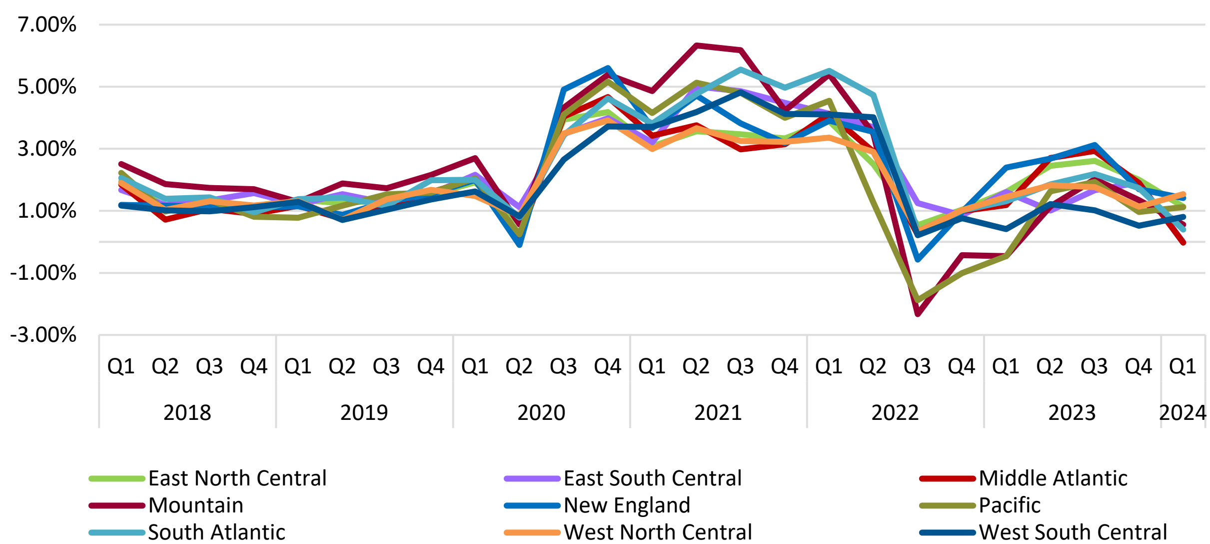
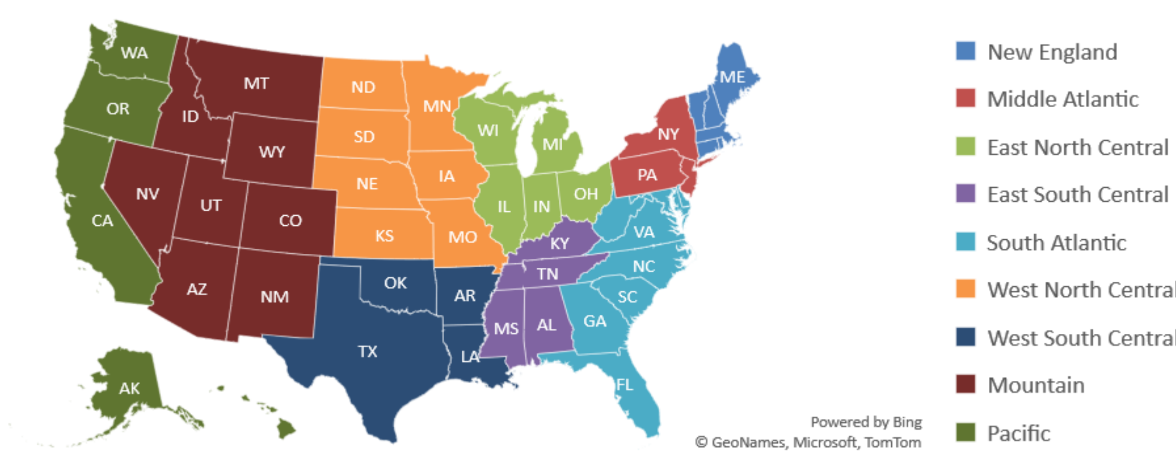


Figure 73. FHFA U.S. Census Subregions as defined by the U.S. Census Bureau



Source: HPI data from FHFA and is seasonally adjusted. U.S. Census Subregions as defined by the U.S. Census Bureau.

16.2 Housing Affordability – Inflation, Wages, and the Price of Real Estate

As of month-end July 2024, YoY inflation was 2.9%, decreasing from 3.0% in the month prior. Nationally, rents are up 0.40% YoY as of month-end July 2024 while the MoM change in median rents decreased by 0.20%. YoY change in wage growth declined for the second consecutive month, printing at 4.9% at month-end March 2024. Month-end May 2024 adjusted reporting data shows home price appreciation increased 5.9% YoY.

Figure 74. Inflation | 12-Month Percent Change in CPI

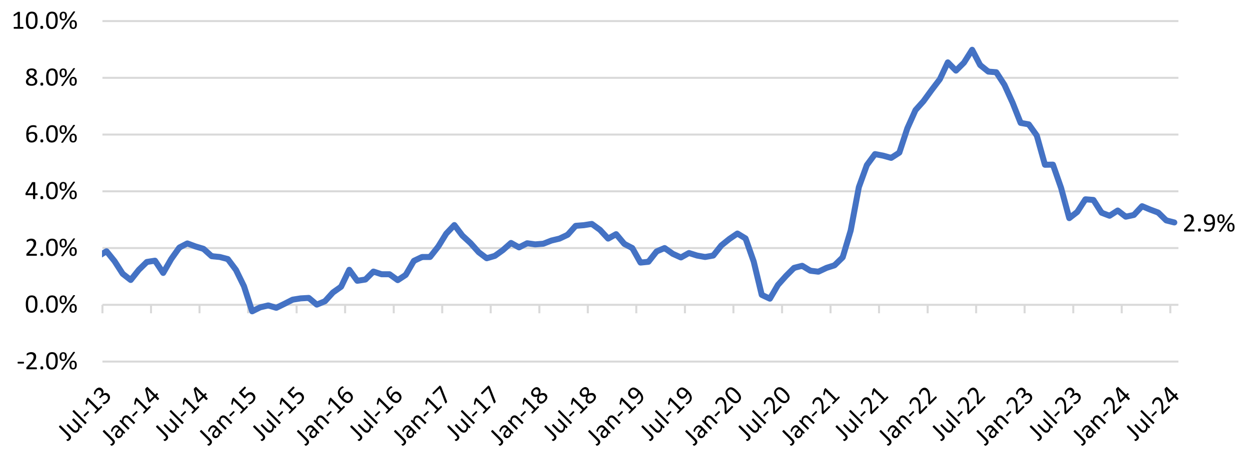
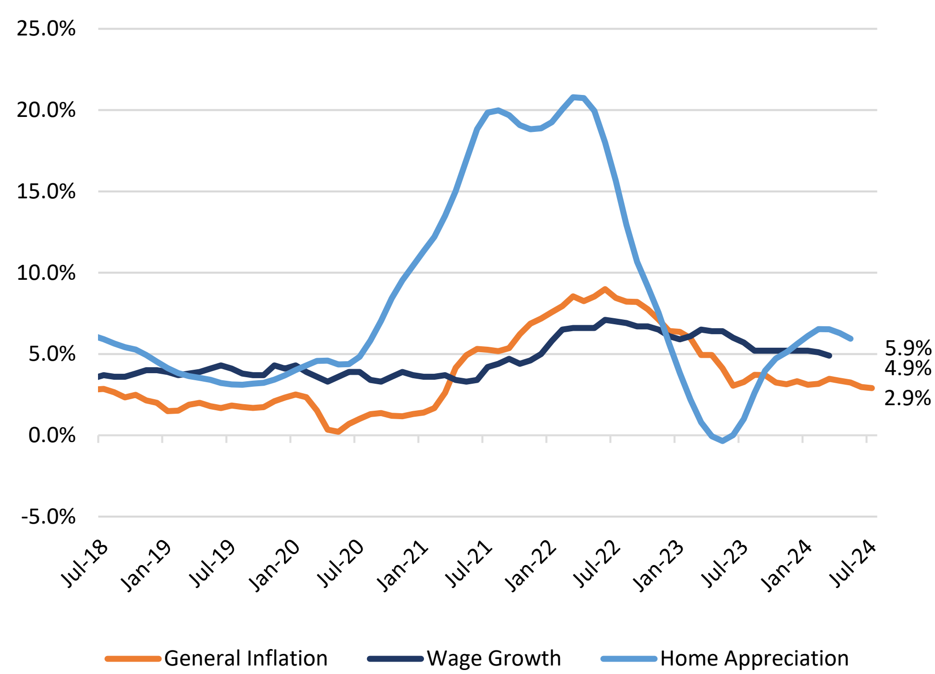


Figure 75. Asset Price Appreciation vs. Wage Increases



Metric	*Statistic*
General Inflation	*2.9%*
Home Price Appreciation *(YoY)*	*5.9%*
Rental Price Appreciation *(Median Rent Change YoY)*	*0.40%*
Wage Growth	*4.9%*

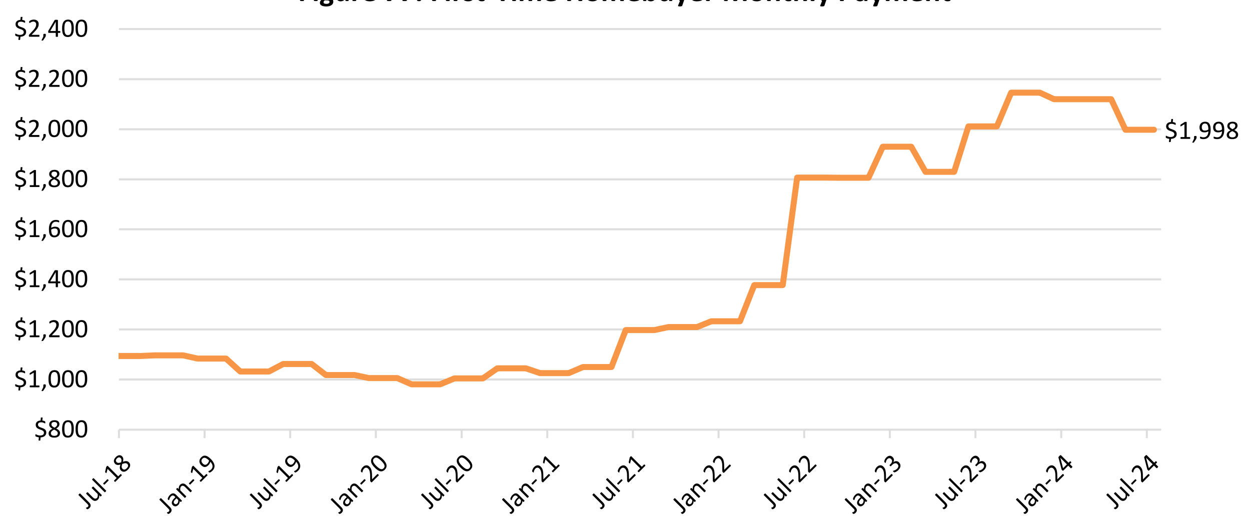
Sources: Bureau of Labor Statistics – Consumer Price Index; Federal Reserve Bank of Atlanta, Research and Data - Wage-Growth Data (currently undergoing maintenance); Redfin.com - Rental Price Appreciation; S&P/Case-Schiller U.S. National Home Price Index – Home Price Appreciation.

16.2.1 Housing Affordability – Affordability Index

As of month-end July 2024, the Homebuyer Affordability Fixed Mortgage (HAFM) Index was 93.3 and the First-Time Homebuyer Monthly Payment (FTMP), which represents the median payment for first-time homebuyers, was $1,998. The HAFM Index decreased 0.64% YoY, while monthly payments for first-time homebuyers decreased approximately 0.65% YoY. HAFM has decreased 50.3% and FTMP has increased 94.7% since January 2021.

Figure 76. Homebuyer Affordability Fixed Mortgage Index

Figure 77. First-Time Homebuyer Monthly Payment

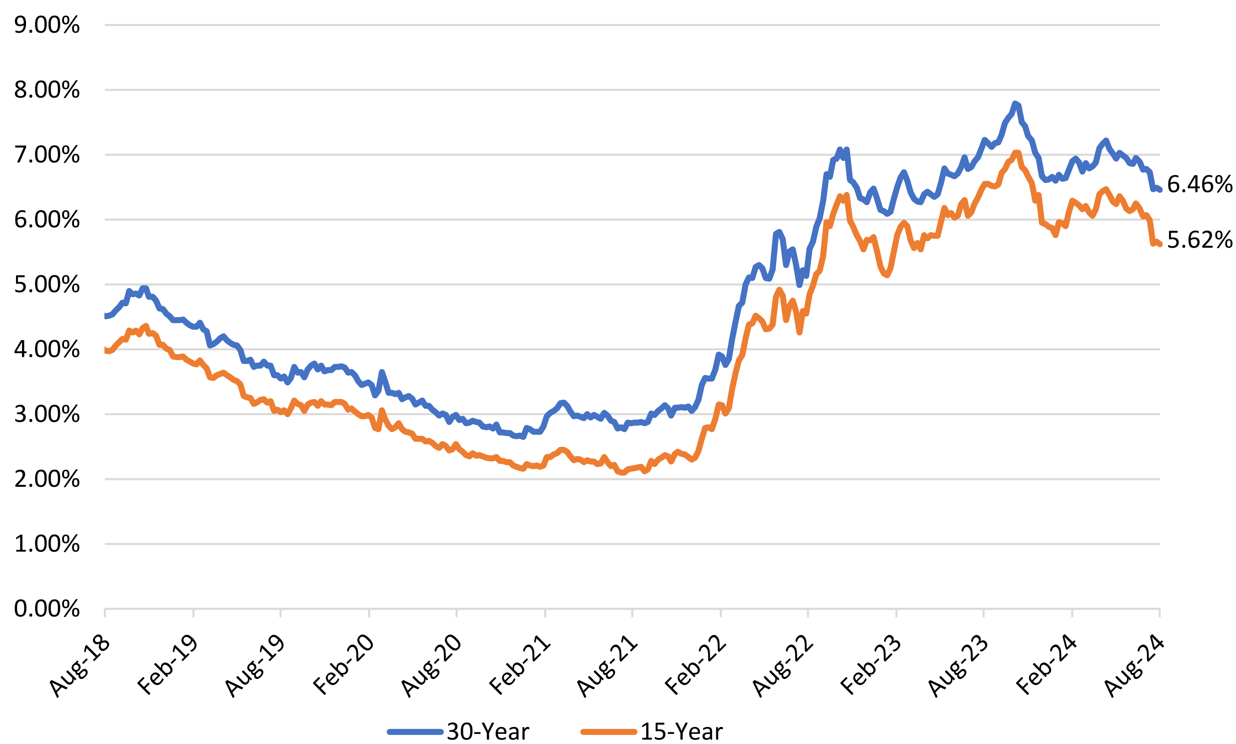


Source: Bloomberg as of July 2024. Note: Housing Affordability Index: Value of 100 means that a family with the median income has exactly enough income to qualify for a mortgage on a median-priced home. An index above 100 signifies that a family earning the median income has more than enough income to qualify for a mortgage loan on a median-priced home, assuming a 20 percent down payment. This index is calculated for fixed rate mortgages.

16.2.2 Housing Affordability – Mortgage Rate Trends

The Federal Reserve maintained the Federal Funds target rate on July 31, 2024, at a range of 5.25% and 5.50% per the FOMC[7]. As of August 22, 2024, the average 30-year and 15-year fixed rate mortgage rates were 6.46% and 5.62%, respectively. The average 30-year fixed rate mortgage rate decreased 43 bps and the average 15-year fixed rate mortgage rate decreased 10 bps from July 11, 2024.

Figure 78. Average Fixed Rate Mortgage Rates



Source: FRED data as of August 2024

[7] *Federal Reserve Board - Federal Reserve issues FOMC statement*

16.3 Housing Inventory

As of July 2024, there were 7.5 months of new housing inventory on the market, decreasing 10.7% MoM from an adjusted 8.4 months in May 2024. **Figures 80 and 81** show Single-Family and Multifamily annualized housing metrics, including the number of permits, starts, and completions. From July 2023 to July 2024, the number of Single-Family completions rose 8.0%, and the number of starts and permits rose 7.7% and 4.8%, respectively. Multifamily metrics show that from July 2023 to July 2024, the number of completions rose 19.6%, while the number of starts and permits decreased 36.8% and 19.0%, respectively.

Figure 79. Single-Family Housing Inventory

Figure 80. Single-Family Construction Metrics: Permits, Starts, Completions

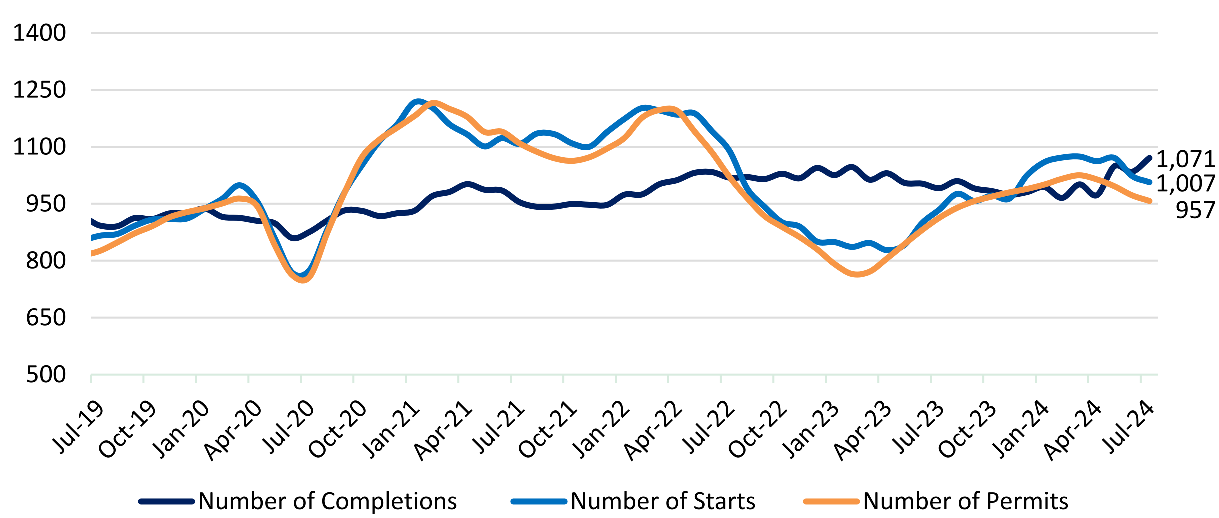
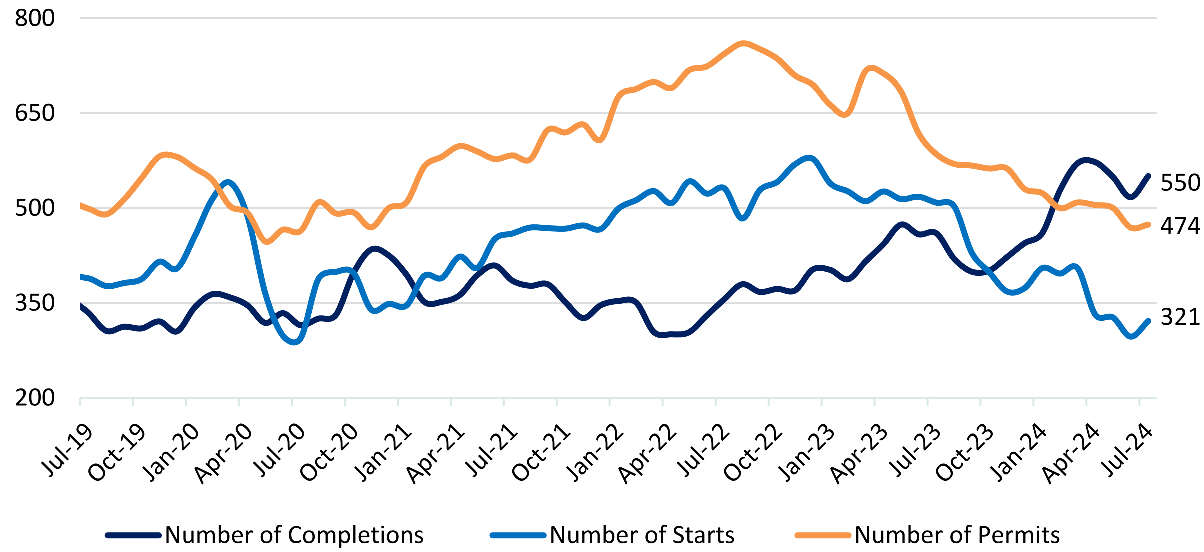


Figure 81. Multifamily Constructions Metrics: Permits, Starts, Completions



Source: FRED. Figure 79: data as of July 2024. New Residential Construction, U.S. Census Bureau. Figures 80 & 81: data as of July 2024. Note: Figures 80 & 81 are calculated using a 3-month moving average to identify underlying trends in construction metrics, in thousands of units.

16.4 Size and Value of the U.S. Housing Market

The total value of the Single-Family housing market increased from $44.9 trillion in 2023 to $45.8 trillion in Q1 2024. The total value of the US housing market is up approximately 140% from its low in 2011. From Q1 2023 to Q1 2024 mortgage debt outstanding increased from $12.5 trillion to $13.1 trillion and household equity increased from $28.7 trillion to $32.8 trillion. Agency Single-Family MBS continues to account for a growing percentage of the total mortgage debt outstanding, at roughly $9.1 trillion in Q1 2024 it represents more than 65% of total mortgage debt, up from just 52% in 2011.

Figure 82. Value of the U.S. Housing Market

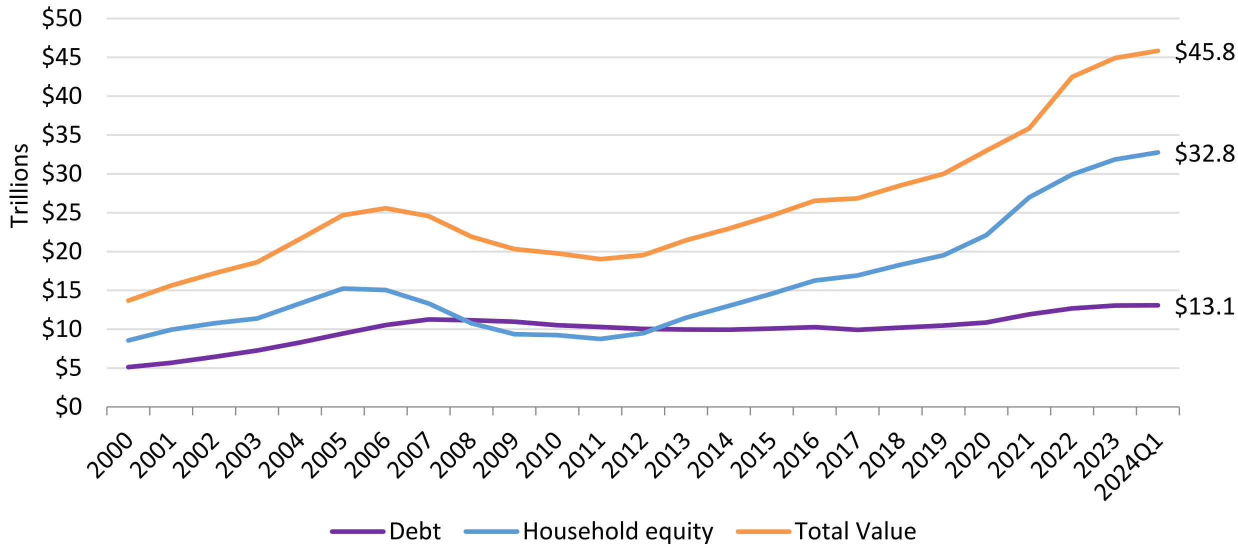
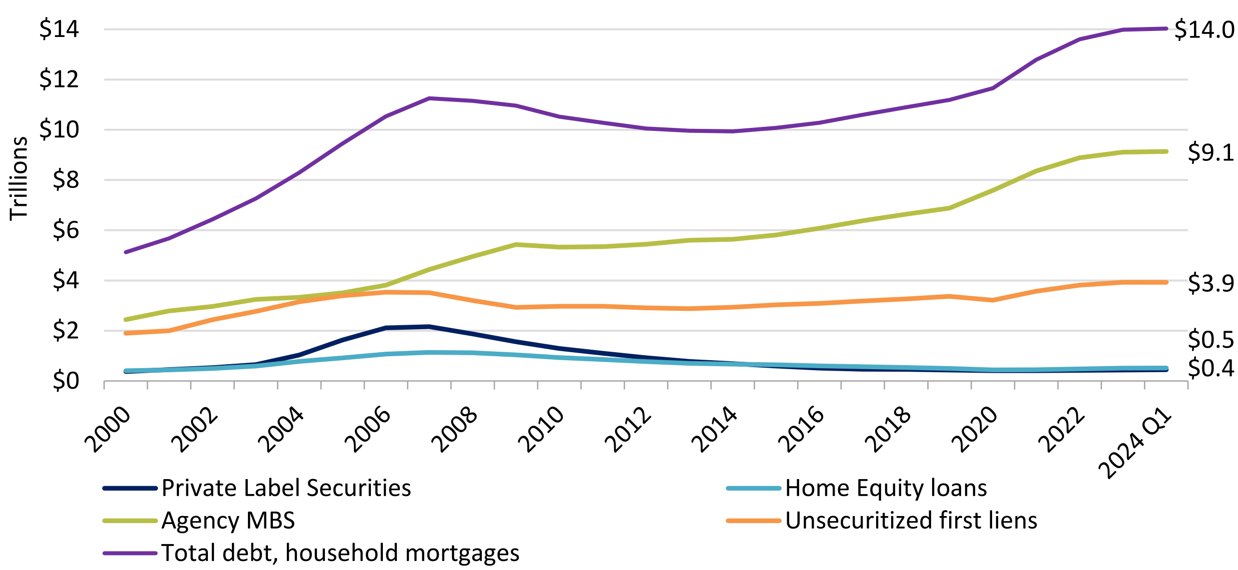


Figure 83. Size of the U.S. Residential Mortgage Market



Source: Federal Reserve Flow of Funds Data as of Q1 2024. Total debt in figure 83 includes additional Nonfinancial corporate/noncorporate business mortgages which is not included in the calculation for "debt" for figure 82. Figures are rounded to nearest hundred billion.

17 DISCLOSURE

"The data provided in the Global Markets Analysis Report (hereinafter, the "report") should be considered as general information only and is current only as of its specified date, unless otherwise noted. No information contained herein is, and should not be construed to be, investment advice. Nor does any information contained herein constitute an offer to sell, or is a solicitation of an offer to buy, securities.

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