Ginnie Mae
Our Guaranty Matters

GLOBAL MARKETS ANALYSIS REPORT

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

December 2024

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

The December 2024 *Highlights* section reviews several key indicators of Ginnie Mae's performance for 2024. Data related to Agency Issuance, Economic Data, Capital Markets, and Social Impact are summarized through month end November. The *Highlights* section also includes broad commentary on 2024 macroeconomic trends as they relate to the actions from the Federal Reserve (Fed).

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

- The Fixed Income Product Performance Comparisons section shows that Ginnie Mae's MBS continue to offer attractive yields relative to sovereign debt 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 exceed that of both Fannie Mae and Freddie Mac.
- The SOMA Holdings section captures the Federal Reserve's (Fed) Chairman Jerome Powell's comments regarding the Fed's decision to lower the policy rate as well as recent activity in the Systems Open Market Account (SOMA) portfolio.
- The Housing Affordability - Affordability Index section shows how homebuyer affordability has decreased for families purchasing median priced homes. Accordingly, the homebuyer monthly payment figure shows how monthly payments have increased for first-time homebuyers.

Highlights

The U.S. economy faced a unique set of challenges and developments in 2024, shaped by evolving monetary policies, moderating growth, and easing inflationary pressures. Despite early-year expectations of an economic downturn - driven by elevated interest rates, subdued consumer demand, and global uncertainties - the economy avoided significant contraction.

At the start of the year, the Fed maintained its federal funds rate in the 5.25%-5.50% range, reflecting its commitment to curbing persistently high inflation. Inflation trends remained uneven, with periods of gradual decline scattered with modest rebounds. However, by November, the Fed's restrictive stance successfully moderated inflation closer to its 2% target, with the annual inflation rate, as measured by the Personal Consumption Expenditures (PCE) price index, standing at 2.4%.[1]

While inflationary pressures eased, the labor market exhibited signs of cooling. The unemployment rate rose from 3.7% in January to 4.2% by November, reflecting a gradual normalization of labor conditions rather than a sharp decline. Job creation persisted, albeit at a slower pace. Recognizing progress in controlling inflation and the labor market's resilience, the Fed enacted three rate cuts during the latter half of the year (September, November, and December), ultimately reducing the target range to 4.25%-4.50% by year-end.

The bond market remained dynamic throughout 2024, with the 10-year Treasury yield fluctuating between 3.6% and 4.7% before settling around 4.4% by year-end.[2] Anticipation of the Fed's initial rate cut in September spurred a rally in U.S. 10-year bonds; however, as the future path of rate cuts extended, bond prices adjusted accordingly. Mortgage rates followed similar trends, with 30-year fixed mortgage rates averaging between 6.0% and 7.5%. Elevated rates, coupled with affordability challenges, continued to weigh on the housing market, limiting recovery prospects. Conversely, equity markets exhibited strong performance, with major indices reaching record highs over the course of the year. This rally was driven largely by advancements in artificial intelligence (AI) and its growing implementation across Big Tech, which fueled investor optimism and market confidence.

The Fed’s outlook for 2025 signals a cautious approach, aiming to support growth while guarding against inflationary risks. With inflation nearing target levels and labor markets stabilizing, the U.S. economy is positioned for a steady, albeit slower, real growth trajectory in the coming year. The Fed’s Summary of Economic Projections (SEP) are shown below.

Table 1. December 2024 Summary of Economic Projections[3]

Variable	2024	2025	2026	2027	Longer Run
Change in real GDP	2.5%	2.1%	2.0%	1.9%	1.8%
Unemployment Rate	4.2%	4.3%	4.3%	4.3%	4.2%
PCE Inflation	2.4%	2.5%	2.1%	2.0%	2.0%
Core PCE Inflation	2.8%	2.5%	2.2%	2.0%	N/A
Federal Funds Rate	4.4%	3.9%	3.4%	3.1%	2.9%

[1] *PCE as of December 2024*
[2] *10-year yield as of December 17, 2024*
[3] *December 2024 Summary of Economic Projections. Note: Median values shown.*

Year in review as of month-end November:

Agency Issuance:

- Ginnie Mae's gross issuance YTD totaled $405.7 billion surpassing Fannie Mae and Freddie Mac gross issuance for the year, which were $302.0 billion and $313.3 billion, respectively.
- Ginnie Mae's net issuance YTD totaled $155.5 billion, making up roughly 81% of all Agency net issuance for the year. Fannie Mae and Freddie Mac net issuances for the year were -$18.1 billion and $54.1 billion, respectively.
- Ginnie Mae's FHA and VA net collateral volume YTD totaled $113.6 billion and $44.1 billion, respectively.
- Ginnie Mae's Single-Family and Multifamily YTD REMIC issuance volume totaled $133.4 billion, around $38 billion more than YTD issuance in 2023. October's $16.8 billion of REMIC issuance was the largest in a single month since November of 2021.

Economic Data:

- Serious delinquency rates for FHA and VA loans as of Q3 2023 rose to 3.57% and 2.26%, respectively. Delinquency rates are up from 3.24% and 2.01% for FHA and VA, respectively, from Q4 2023.
- Home prices appreciated roughly 4.0% YoY as of September 2024, down from 6.5% in March 2024.
- Home prices were supported by higher wage growth, 4.3% YoY as of November, as well as limited supply, and expectations of lower mortgage rates in the future.

Capital Markets:

- Ginnie Mae II SF spread over the U.S. 10-year hovered between 100 - 150 bps the past year, tightening from 215 bps over the U.S. 10-year in 2023.
- Ginnie Mae II yields hedged with 1yr JPY and EUR both remain positive and attractive to investors in these regions as of month-end November.

Social Impact and Sustainability:

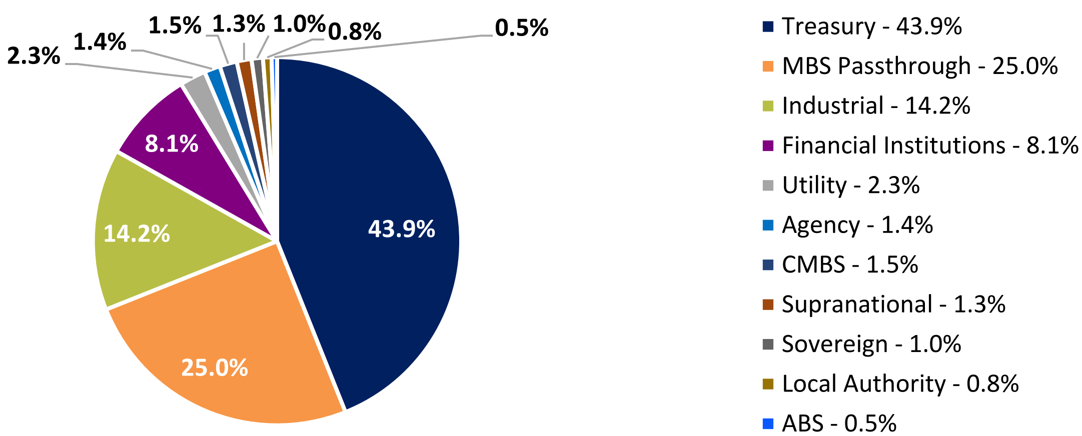
- Over $317 billion of Ginnie Mae Single-Family collateral and over 1.78 million of loans outstanding have been issued to low to moderate income borrowers. Total Single-Family social impact UPB increased by approximately $21 billion YoY.
- Ginnie Mae "Green"-certified sustainable collateral increased roughly $2.5 billion from November 2023 while "Affordable"-certified collateral increased over $1.4 billion from November 2023.

1 US AGGREGATE AND GLOBAL INDICES

1.1 Bloomberg US Aggregate and Global Indices

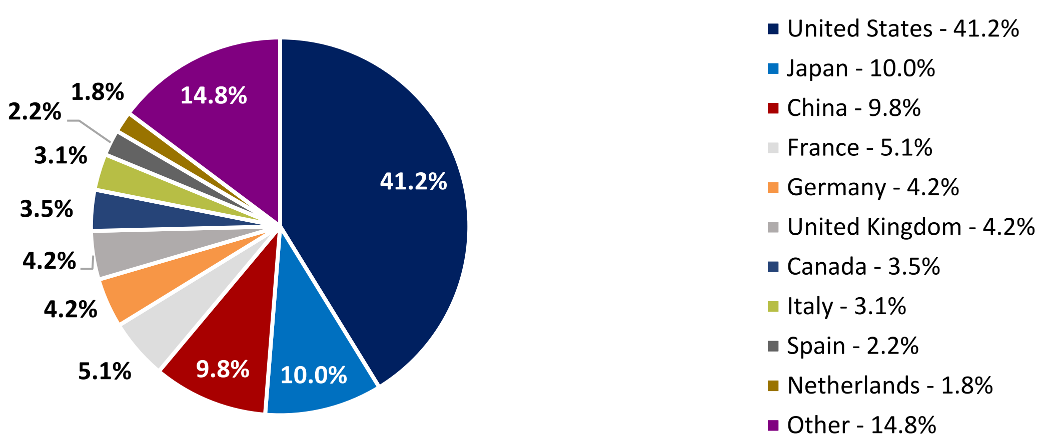
At month-end November, U.S. Treasuries contributed 43.9% to the Bloomberg U.S. Aggregate Index, increasing approximately 0.1% from the prior month. U.S. Agency MBS Passthrough (Ginnie Mae, Fannie Mae, and Freddie Mac) contributed 25.0%, decreasing approximately 0.1% from the prior month. All other changes 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 41.2% of the total index, increasing approximately 0.3% from the prior month. Japan's share of fixed income was the second largest with 10.0% at month end of November 2024. China's share was the third largest at 9.8% as of month end November 2024. Japan's share of fixed income increased from the prior month by 0.1% and China's share of fixed income decreased by 0.1% from the prior month. 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 November 2024. Figures in charts may not add to 100% due to rounding

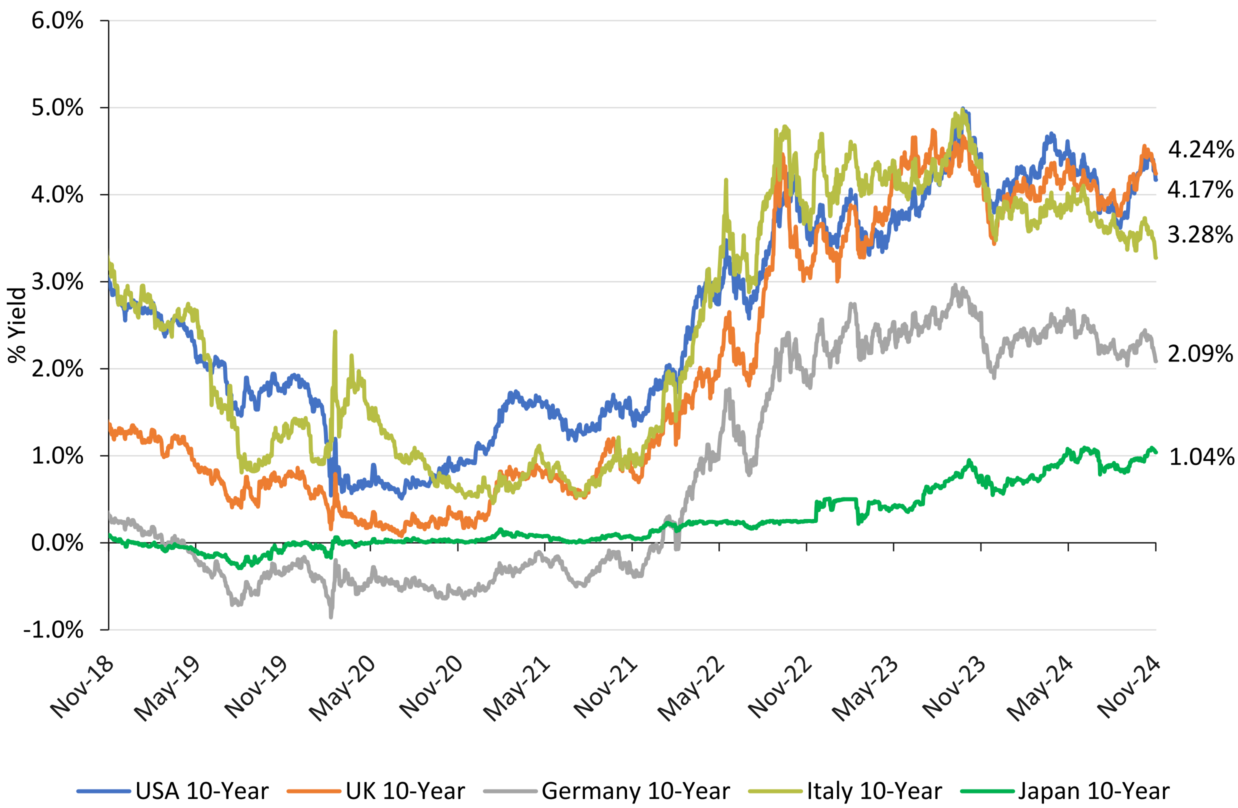
2 SOVEREIGN DEBT PRODUCT PERFORMANCE COMPARISONS

2.1 Global 10-Year Treasury Yields (Unhedged)

The U.S. 10-year Treasury yield moved to 4.17% at month-end November 2024, a month to month (MtM) decrease of 12 bps. In August 2024, U.S. 10-year Treasury note rates dropped below UK 10-year note rates, marking the first time since October of 2023 that U.S. 10-year was not the highest government yield amongst the countries listed below. The UK, German, and Italian yields all decreased while the Japanese month-end yield increased from the previous month.

- The yield on the UK 10-year note decreased to 4.24% at month-end November, a MtM decrease of 20 bps.
- The yield on the German 10-year note decreased to 2.09% at month-end November, a MtM decrease of 30 bps.
- The yield on the Italian 10-year note decreased to 3.28% at month-end November, a MtM decrease of 37 bps.
- The yield on the Japanese 10-year note increased to 1.04% at month-end November, a MtM increase of 10 bps.

Figure 3. Global 10-Year Treasury Yields



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

2.2 U.S. Treasury Hedged Yields

- The yield for the 10-year Treasury, hedged in Japanese Yen (JPY) stood at 0.28% at month-end November, a 2 bp decrease from month-end October.
- The yield for the 10-year Treasury, hedged in Euros (EUR) stood at 2.15% at month-end November, a 39 bp decrease from month-end October.

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

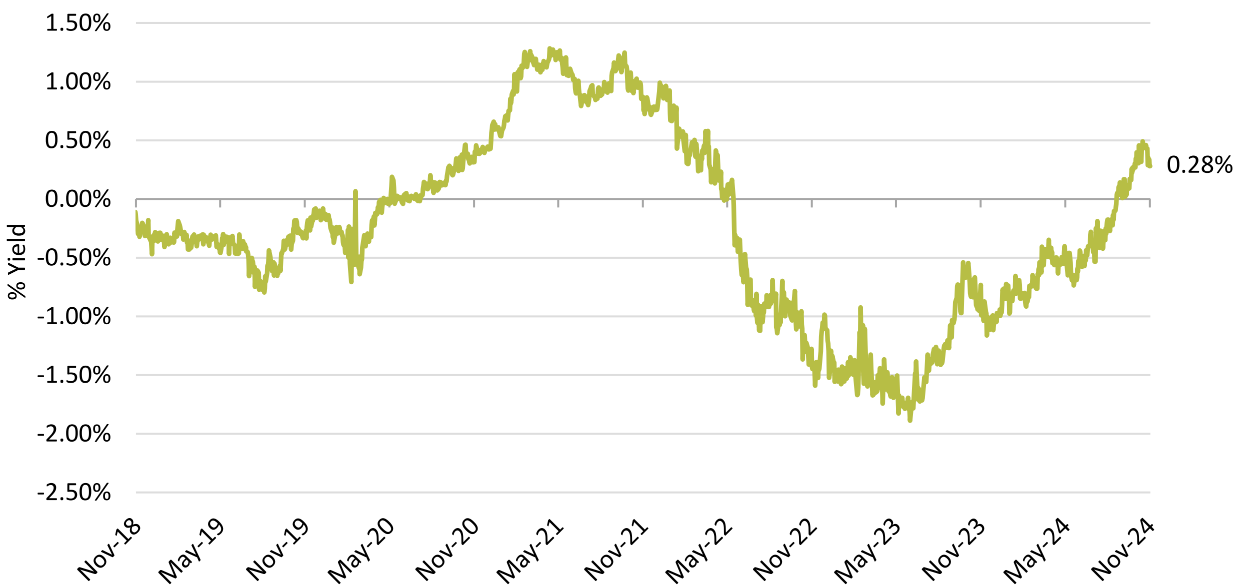
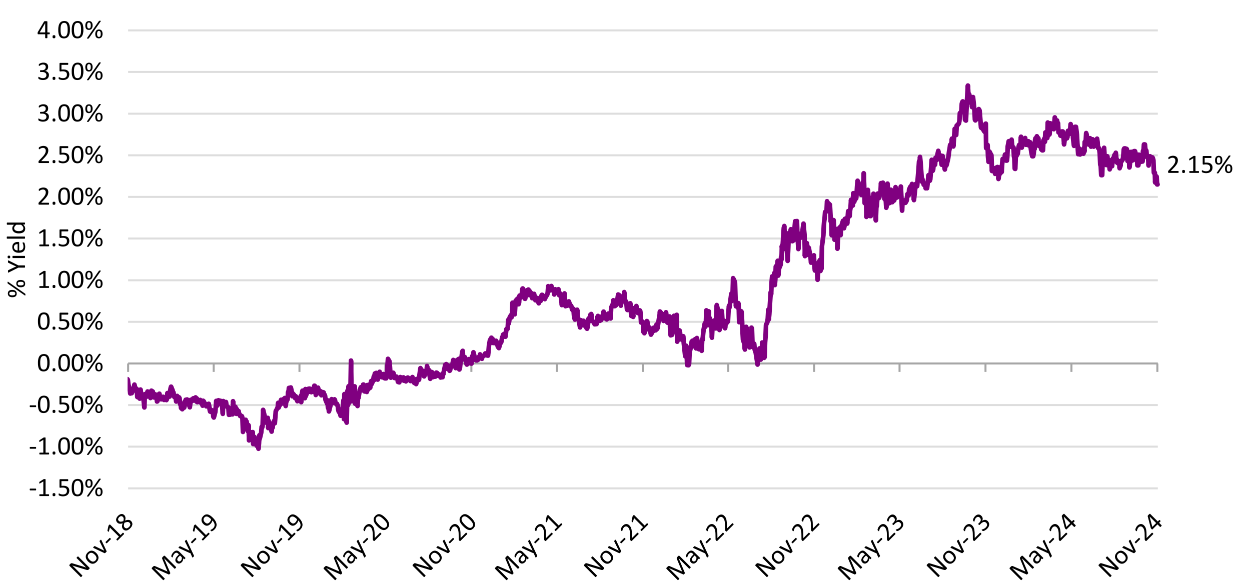


Figure 5. U.S. 10 yr Total Return Hedged, 1 yr EUR



Source: Bloomberg. Notes: Data as of November 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

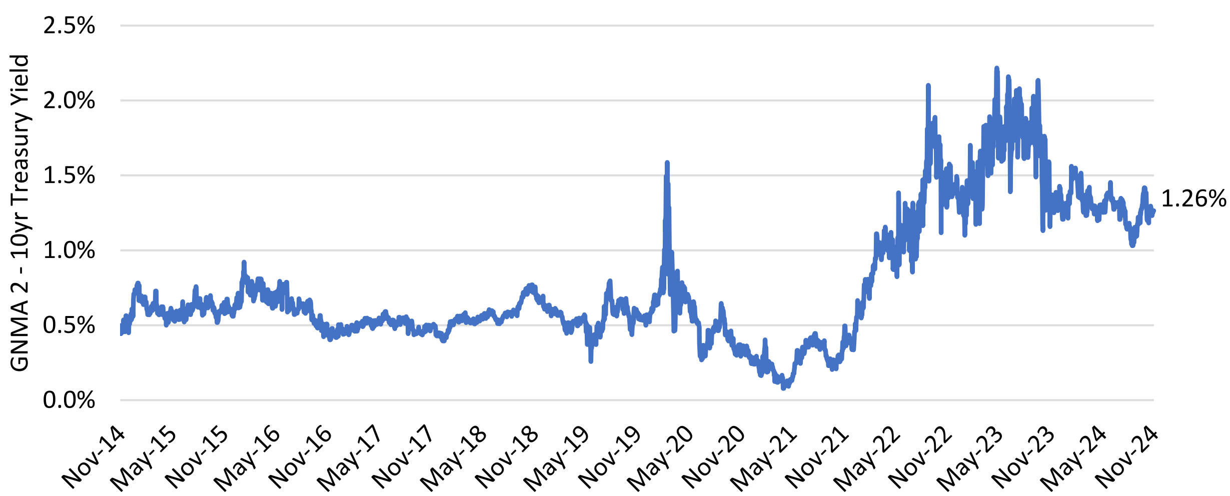
3 FIXED INCOME PRODUCT PERFORMANCE COMPARISONS

3.1 Ginnie Mae Yields – USD

Ginnie Mae II yields were 4.84% at month end September, then increased 88 bps to 5.72% at month end October, then decreased 29 bps to 5.43% at month end November. The Ginnie Mae II spread over the U.S. 10-year Treasury yield increased 1 bps from 1.25% in November 2023 to 1.26% over the U.S. 10-year Treasury yield as of month-end November 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 November 2024.

3.2 Ginnie Mae Hedged Yields

The yield for Ginnie Mae II's hedged in Japanese Yen stood at 1.54% at month-end November, a 18 bp decrease from month-end October. The hedged yield is approximately 50 bps higher than the Japanese 10-year yield as of month-end November 2024.

The yield for Ginnie Mae II's, hedged in Euros stood at 3.41% at month-end November, a 55 bp decrease from month-end October. The hedged yield is approximately 133 bps higher than the German 10-year yield, and 14 bps higher than the Italian 10-year yield as of month-end November.

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

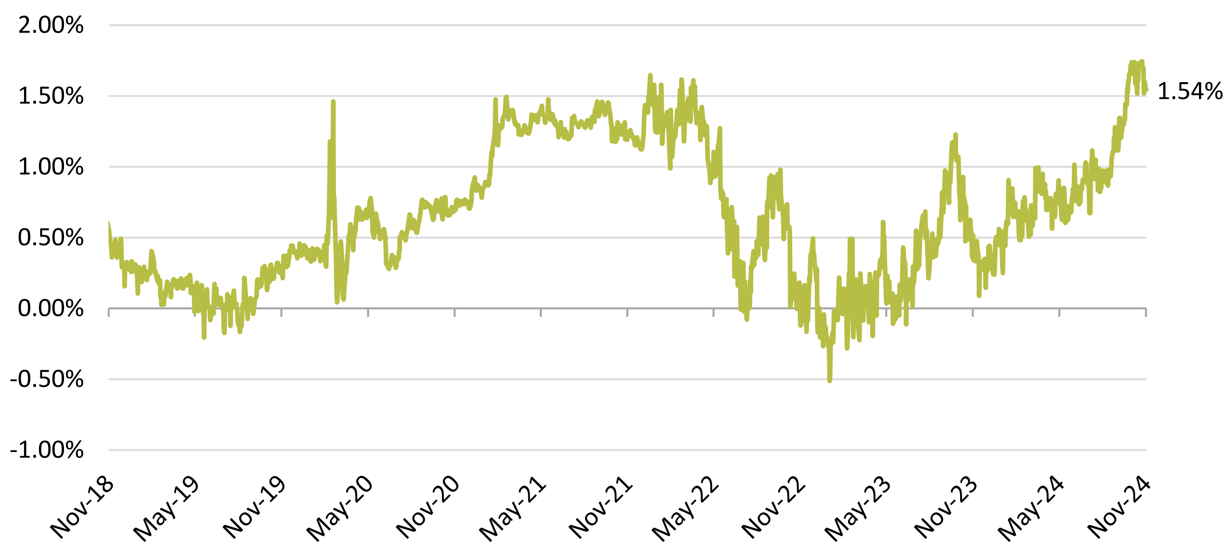
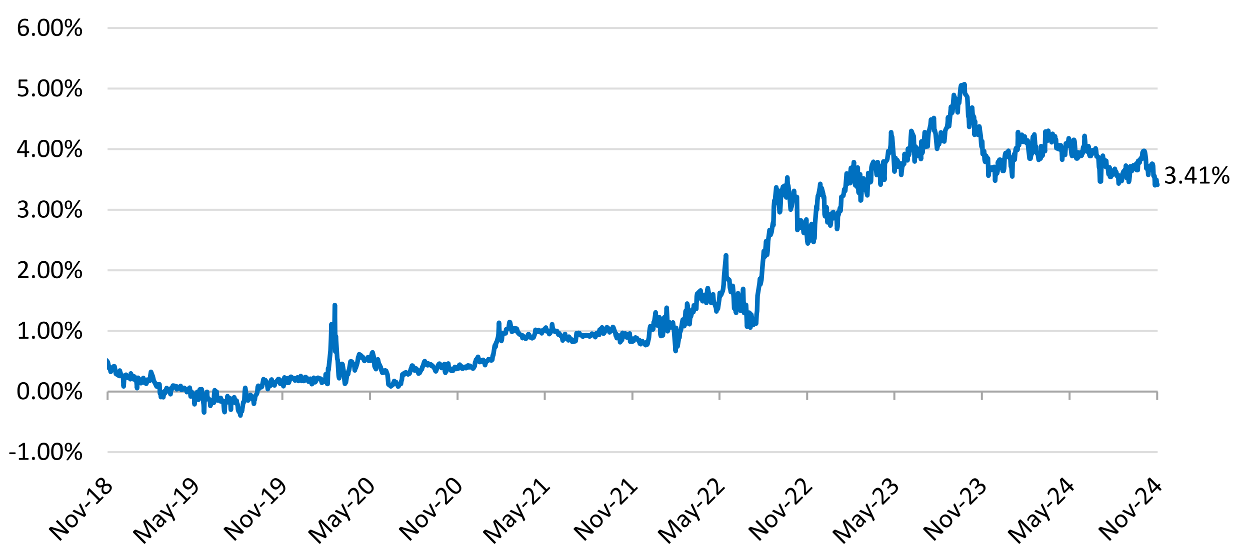


Figure 9. Ginnie Mae II Hedged, 1 yr. EUR



Source: Bloomberg. Notes: Data as of November 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 decreased 7 bps to 0.42%, as of month-end November. The U.S. Intermediate Credit OAS decreased 6 bps to 0.61% from month-end October to month-end November. The yield differential between U.S. Intermediate Credit and GNMA II 30-year OAS increased approximately 1 bps to 0.18% at month-end November.

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

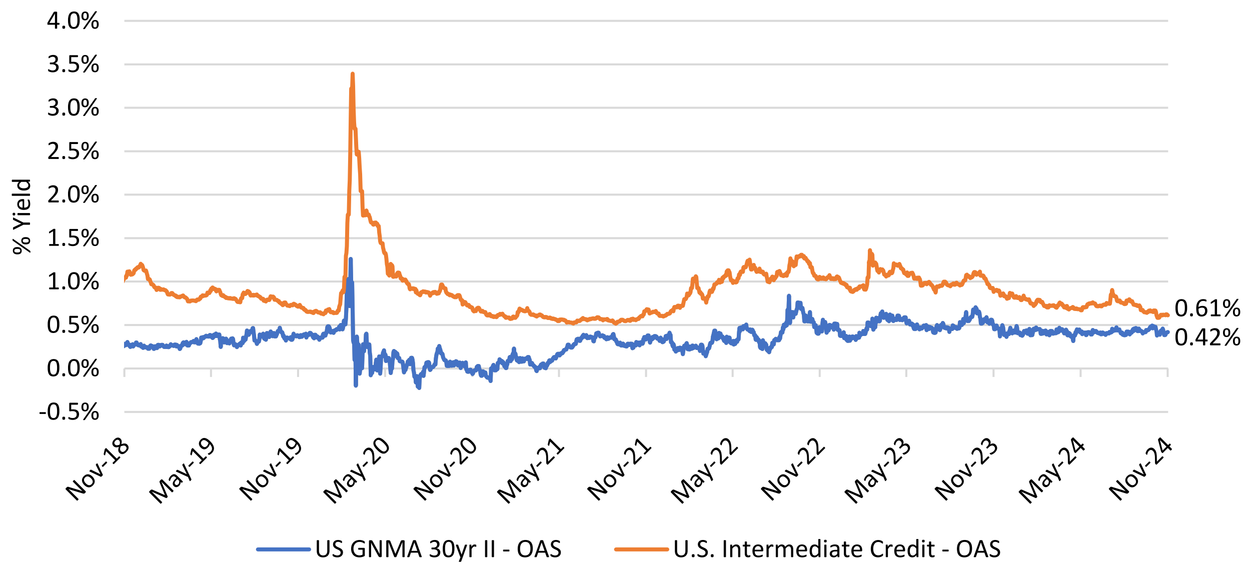


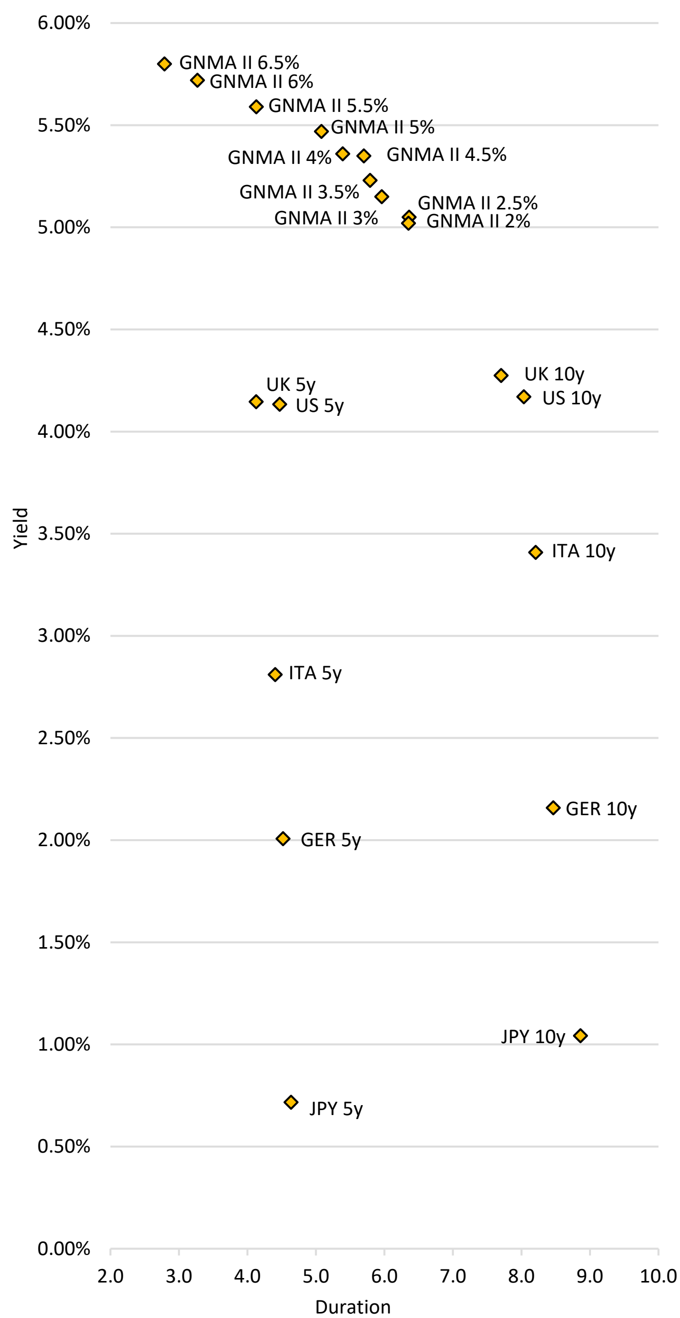
Figure 11. Spread between U.S. Intermediate Credit and U.S. GNMA II 30yr MBS OAS

Source: Bloomberg. Note: Data as of November 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.

Figure 12. Yield vs. Duration



Security	Duration	Yield (%)
U.S. 5y	4.47	4.13
U.S. 10y	8.03	4.17
JPY 5y	4.64	0.72
JPY 10y	8.86	1.04
GER 5y	4.52	2.01
GER 10y	8.46	2.16
ITA 5y	4.41	2.81
ITA 10y	8.21	3.41
UK 5y	4.13	4.15
UK 10y	7.70	4.27
GNMA II 2%	6.36	5.05
GNMA II 2.5%	6.35	5.02
GNMA II 3%	5.96	5.15
GNMA II 3.5%	5.79	5.23
GNMA II 4%	5.39	5.36
GNMA II 4.5%	5.70	5.35
GNMA II 5%	5.08	5.47
GNMA II 5.5%	4.13	5.59
GNMA II 6%	3.27	5.72
GNMA II 6.5%	2.79	5.80

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 November 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 decreased by 2.3% MtM from October 2024 to November 2024. Fannie Mae CPRs decreased by 1.9% MtM and Ginnie Mae CPRs decreased by 3.6% MtM. ARM prepayments saw decreases of 4.4% MtM for Freddie Mac and 1.2% MtM for Fannie Mae, and an increase of 7.5% MtM for Ginnie Mae.

Figure 13. Fixed Rate Aggregate 1-Month CPR

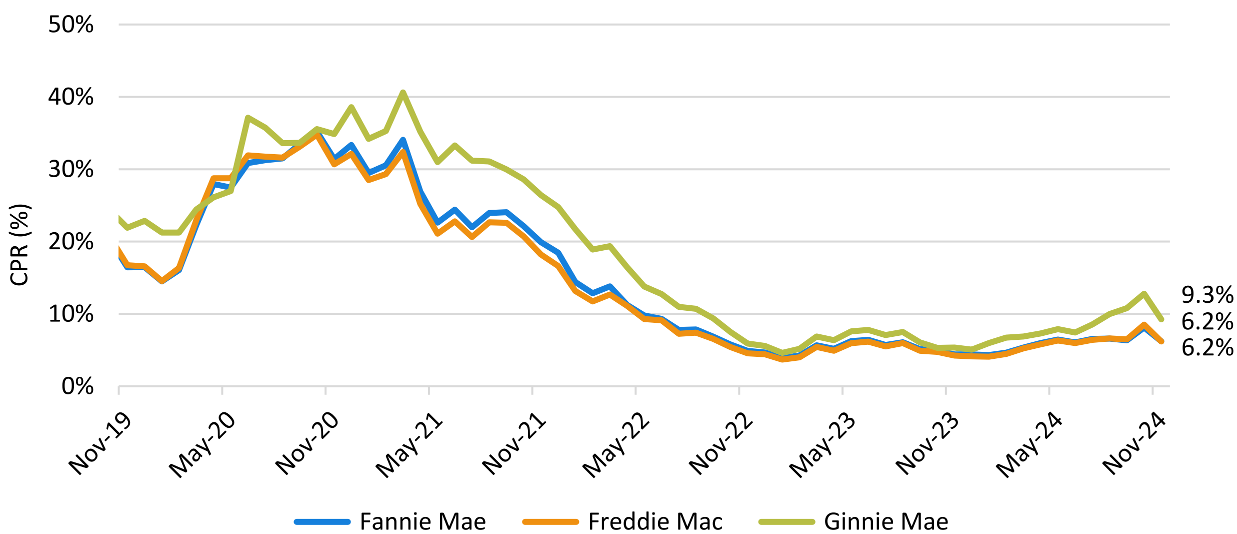
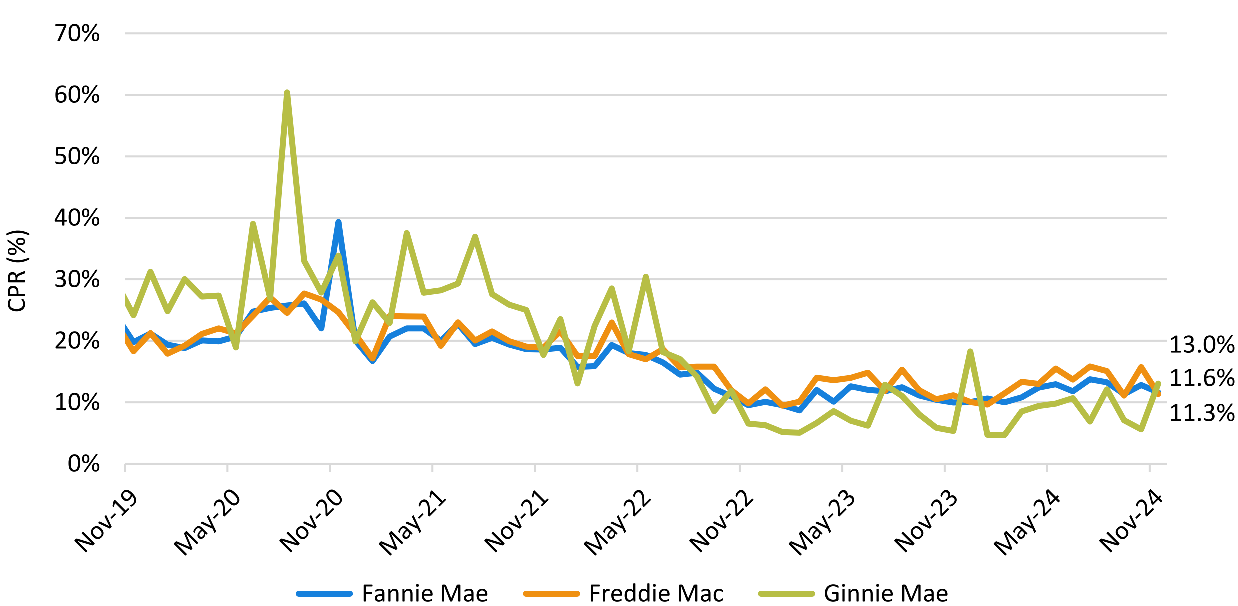


Figure 14. ARM Aggregate 1-Month CPR



Source: Recursion. Note: Data as of November 2024. Figures are rounded to the nearest tenth.

4.2 Involuntary Prepayments (CDR)

Fixed rate involuntary prepayments 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 November 2024 after slightly overtaking Ginnie Mae in September 2022.

Figure 15. Fixed Rate Aggregate CDR

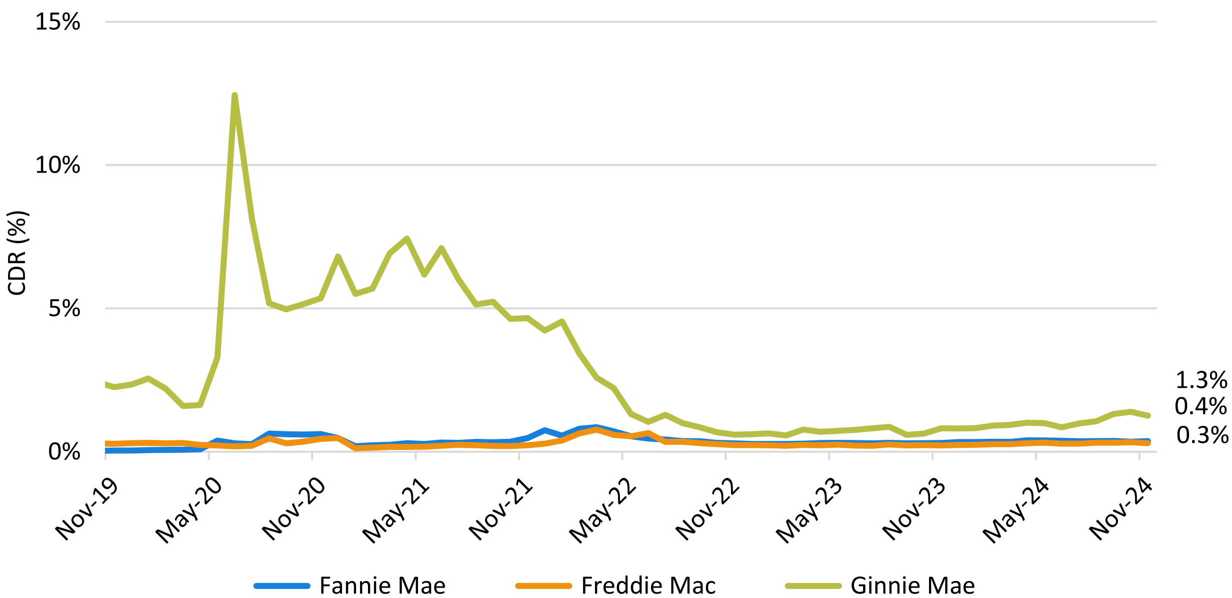
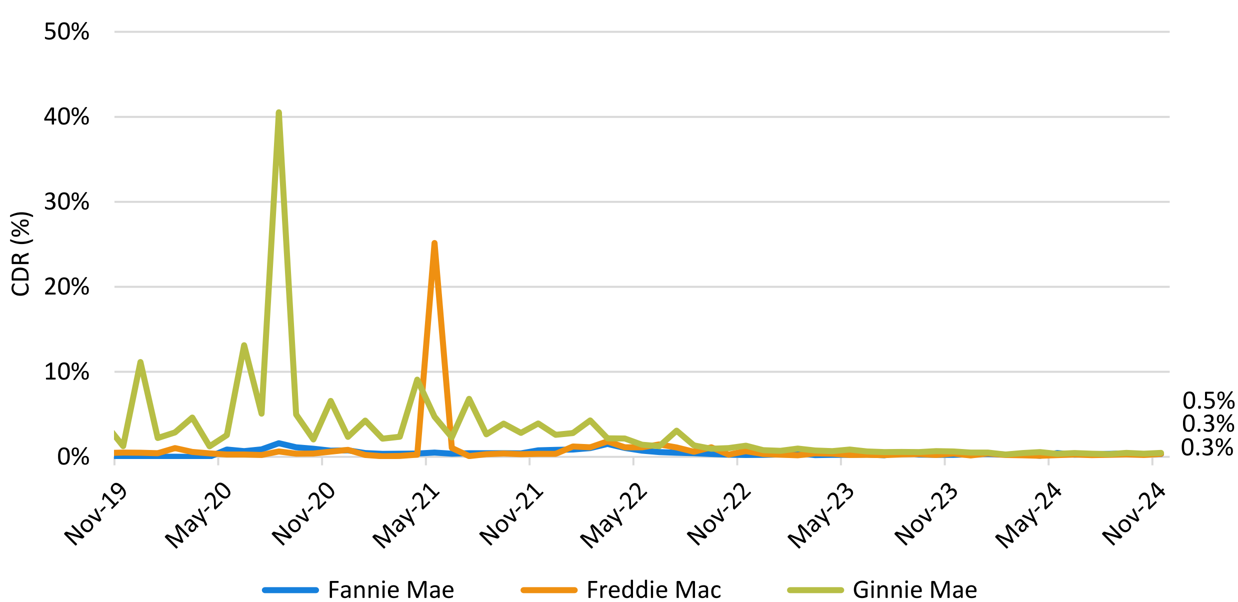


Figure 16. ARM Aggregate CDR



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

4.3 Voluntary Prepayment Rates (CRR)

Fixed rate voluntary prepayments were higher for Ginnie Mae than Fannie Mae and Freddie Mac. Fannie Mae saw a decrease of 2.0% MtM and Ginnie Mae saw a decrease of 3.5% MtM in fixed rate aggregate CRR. Fannie Mae saw a decrease of 1.2% MtM in ARM aggregate CRR, and Ginnie Mae saw a 7.4% increase MtM. Freddie Mac's fixed rate aggregate CRR decreased by 2.3% MtM and ARM aggregate CRR decreased by 4.5% MtM.

Figure 17. Fixed Rate Aggregate CRR

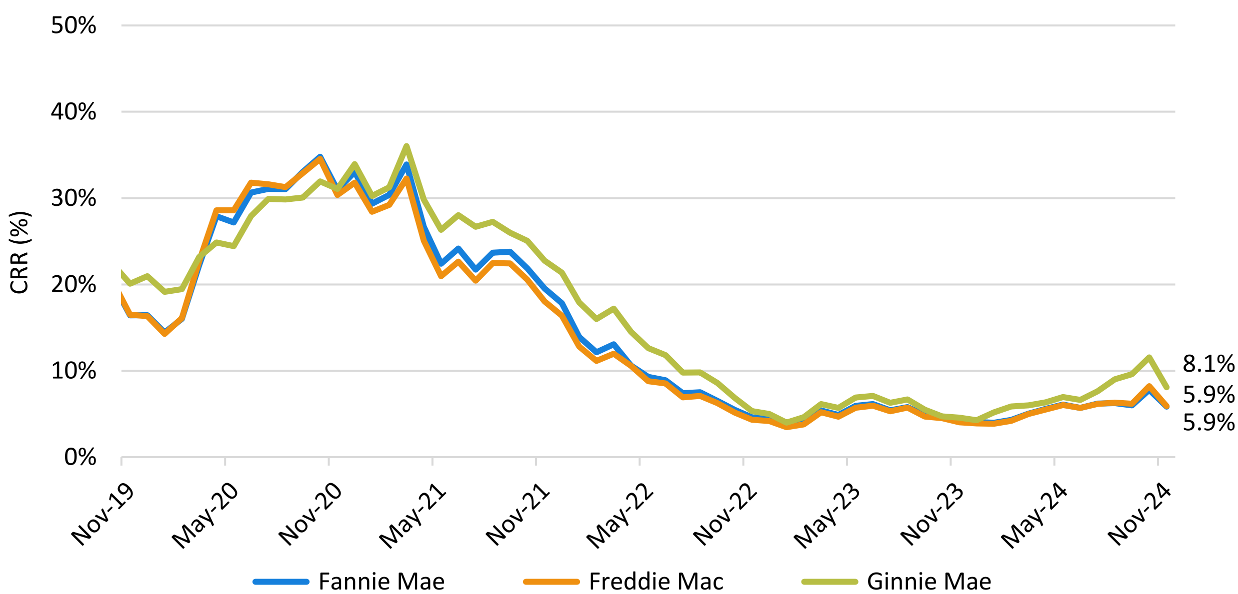
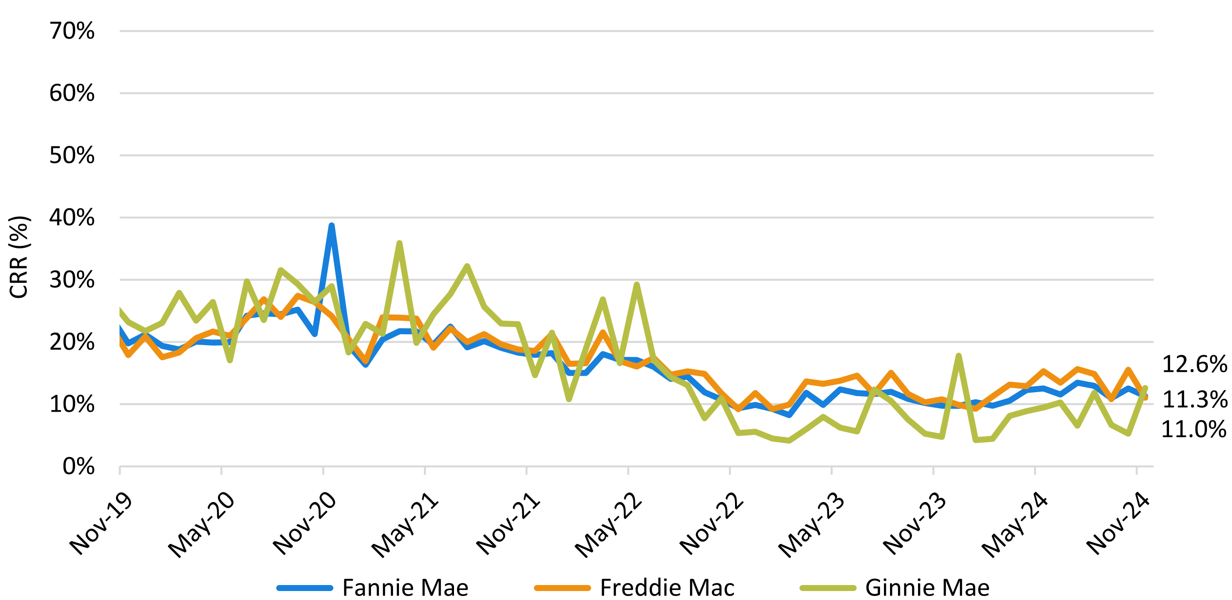


Figure 18. ARM Aggregate CRR



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

5 SINGLE-FAMILY MBS PASS-THROUGH ISSUANCE

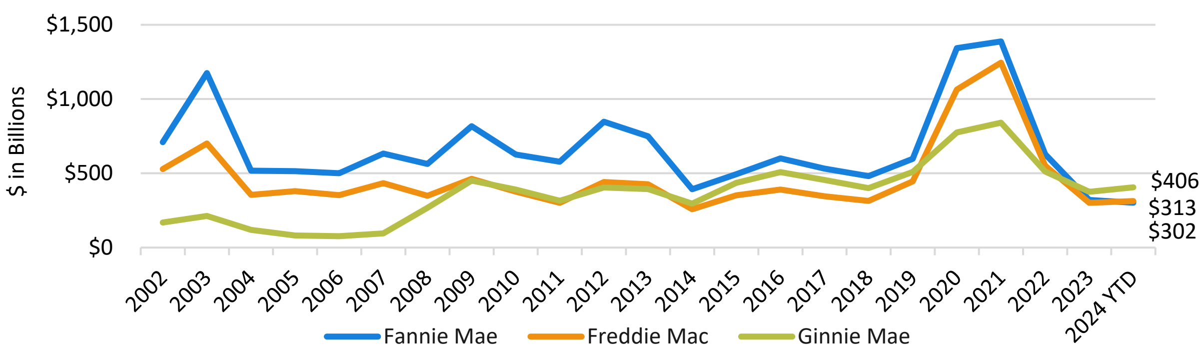
5.1 Gross Issuance of Agency MBS

In November 2024, total gross MBS issuance was approximately $117.4 billion. Of the $117.4 billion total gross issuance in November, Freddie Mac and Fannie Mae issued $39.7 and $29.6 billion, respectively. Ginnie Mae's gross issuance for November was $48.1 billion. Ginnie Mae's YTD and November monthly gross issuance exceeded that of both Fannie and Freddie.

Table 2. 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	$302.0	$313.3	$615.3	$405.7	$1,021.0

Figure 19. Agency Gross Issuance

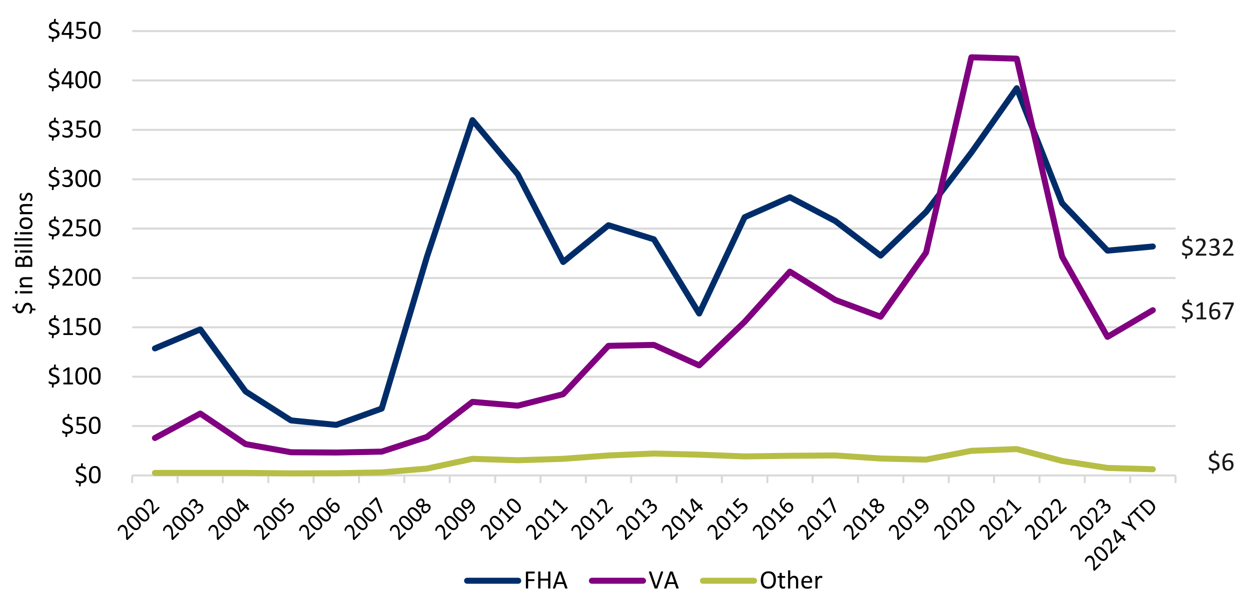


Source: Recursion. Note: Numbers are rounded to the nearest hundred million. For sums, like "GSE Total", the values are rounded after the exact underlying values are summed. As a result, some sums may not appear to match the sum of their rounded component values.

Table 3. 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	$231.9	$167.4	$6.3	$405.7

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.

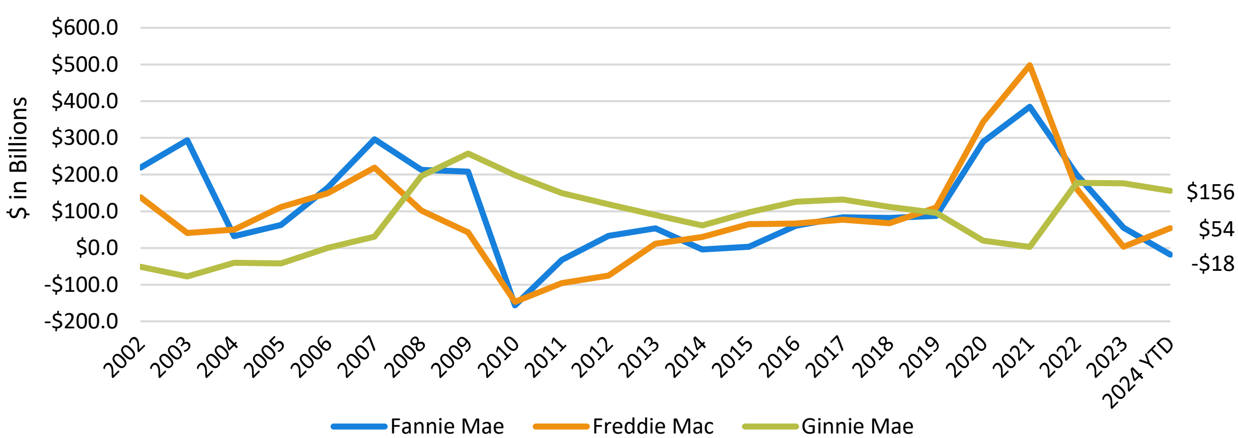
5.2 Net Issuance of Agency MBS

Agency Net Issuance as of month-end November was $191.6 billion for 2024 YTD, as shown in **Table 4.** Ginnie Mae has the largest net issuance YTD, totaling $155.5 billion as of month-end November 2024. Since 2022, FHA net issuance has outpaced VA net issuance, as shown in **Table 5 and Figure 22.**

Table 4. 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	-$18.1	$54.1	$36.0	$155.5	$191.6

Figure 21. Agency Net Issuance

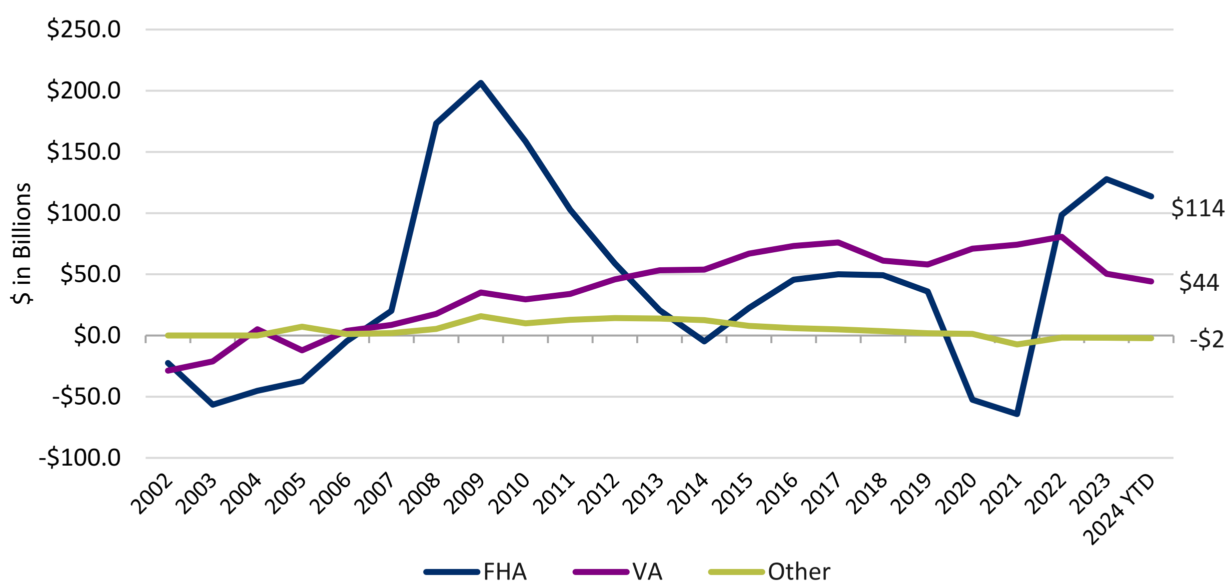


Source: Recursion. Note: Numbers are rounded to the nearest hundred million. For sums, like "GSE Total", the values are rounded after the exact underlying values are summed. As a result, some sums may not appear to match the sum of their rounded component values.

Table 5. 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	$113.6	$44.1	-$2.2	$155.5

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 November was approximately $38.7 billion, which represents an approximate $28.2 billion increase MtM. Ginnie Mae net issuance was $23.1 billion in November, a $12.4 billion increase from October. Ginnie Mae's $48.1 billion gross issuance in November, seen in **Table 6**, was approximately $16.8 billion above the average monthly issuance in 2023.

Table 6. 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
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
Aug-24	$34.4	$35.7	$39.8	$70.0	$109.8	$3.5	$10.5	$13.6	$14.0	$27.6
Sep-24	$25.4	$31.9	$43.3	$57.3	$100.6	-$4.6	$7.1	$15.1	$2.5	$17.6
Oct-24	$29.9	$36.1	$43.7	$66.0	$109.7	-$5.7	$5.6	$10.7	-$0.1	$10.5
Nov-24	$29.6	$39.7	$48.1	$69.3	$117.4	$0.1	$15.5	$23.1	$15.6	$38.7

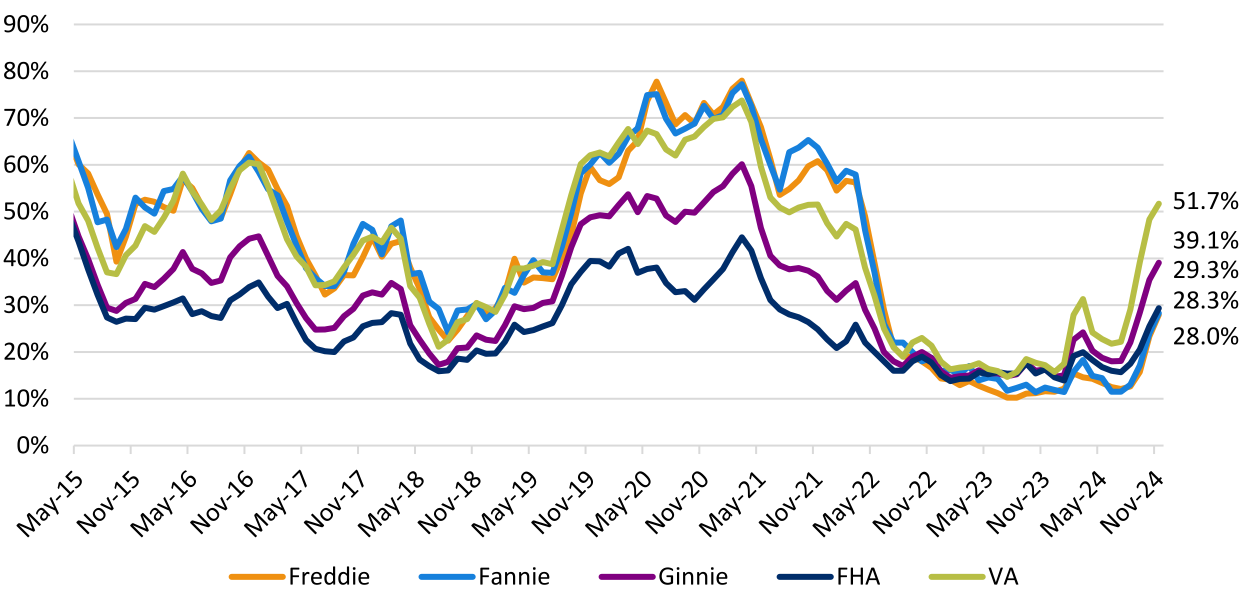
Sources: Data for Gross and Net Issuance was sourced from Fannie Mae, Freddie Mac, and Ginnie Mae loan level disclosure files. Net issuance is defined here as the difference between prior period UPB and current period UPB. Data as of November 2024. Beginning with the October 2021 GMAR, the Fannie Mae and Freddie Mac net issuance data is updated to reflect the current UPB of the portfolios. November 2021 through November 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 10.3% MoM for Ginnie Mae as of month-end November 2024.

- Freddie Mac's refinance percentage increased to 28.0% in November, up from 23.3% in October.
- Fannie Mae's refinance percentage increased to 28.3% in November, up from 24.0% in October.
- Ginnie Mae's refinance percentage increased to 39.1% in November, up from 35.4% in October.
- FHA's refinance percentage increased to 29.3% in November, up from 25.5% in October.
- VA's refinance percentage increased to 51.7% in November, up from 48.3% in October.

Figure 23. Percent Refinance – Single-Family



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

6 AGENCY SINGLE-FAMILY MBS OUTSTANDING

6.1 Outstanding Single-Family Agency MBS

As of month-end November 2024, outstanding Single-Family MBS in the Agency market totaled $9.03 trillion: 39.4% Fannie Mae, 33.3% Freddie Mac, and 27.3% Ginnie Mae MBS. Over the past twelve months, Freddie Mac's total outstanding MBS increased by approximately 2.0%, and Ginnie Mae's increased by 7.3%. Fannie Mae's total outstanding MBS decreased by 0.6%. Fannie Mae's outstanding MBS remains larger than Freddie Mac's and Ginnie Mae's outstanding MBS by approximately $555 billion and $1.1 trillion, respectively.

Ginnie Mae's MBS collateral composition has changed over time as shown in **Figure 25.** In November 2019, 58.8% of Ginnie Mae's outstanding collateral was FHA and 35.3% was VA. As of month-end November 2024, FHA collateral comprised 55.5% of Ginnie Mae MBS outstanding, and VA collateral comprised 40.4% of Ginnie Mae MBS outstanding.

Figure 24. Outstanding Agency Mortgage-Backed Securities

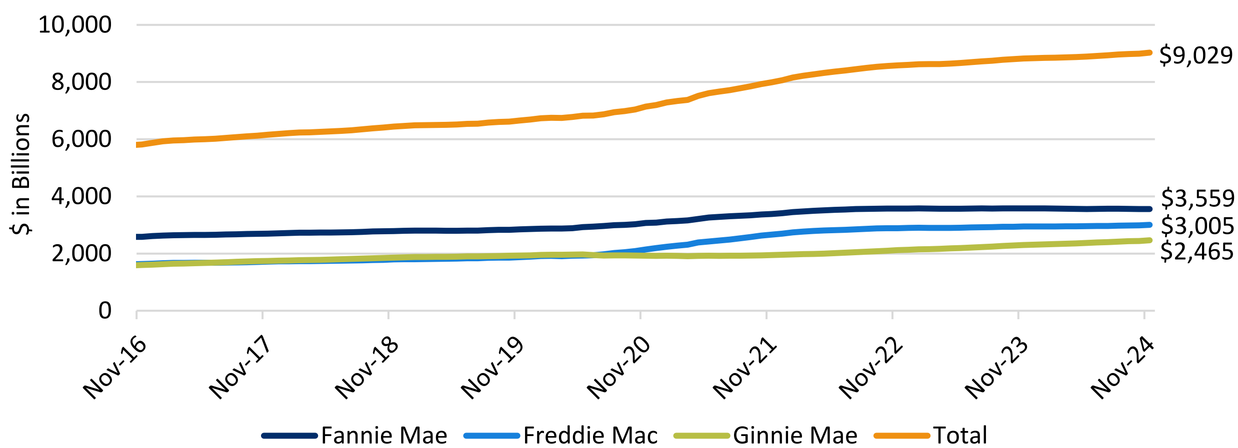
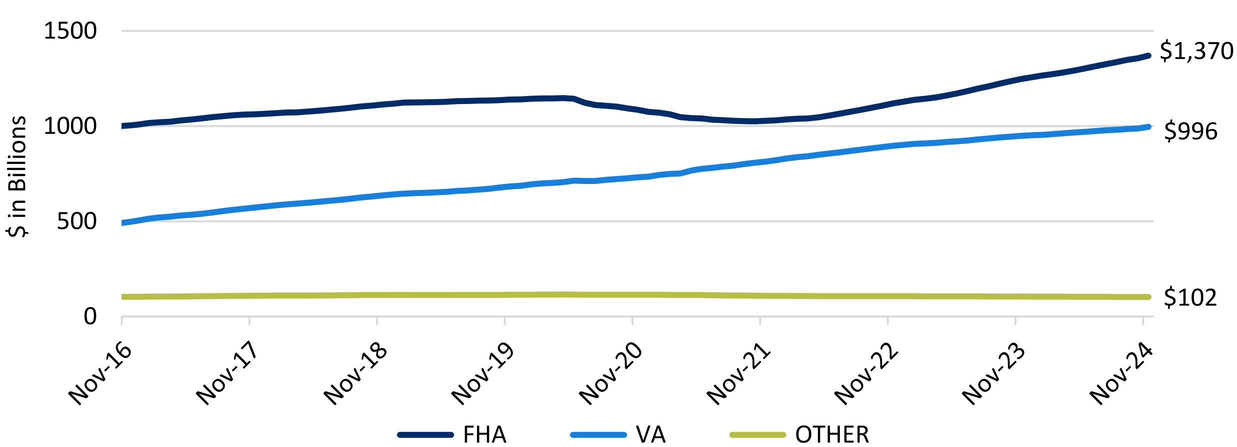


Figure 25. Composition of Outstanding Ginnie Mae Mortgage-Backed Securities



Source: Recursion. Note: Data as of November 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 Q3 2024, with approximately $465 billion in originations, which represents an increase in issuance of 6.9% from Q2 2024. Ginnie Mae's share of total originations increased from 23.5% to 24.1% in Q3 2024, while portfolio origination decreased from 34.5% to 31.8%.

Figure 26. First Lien Origination Volume

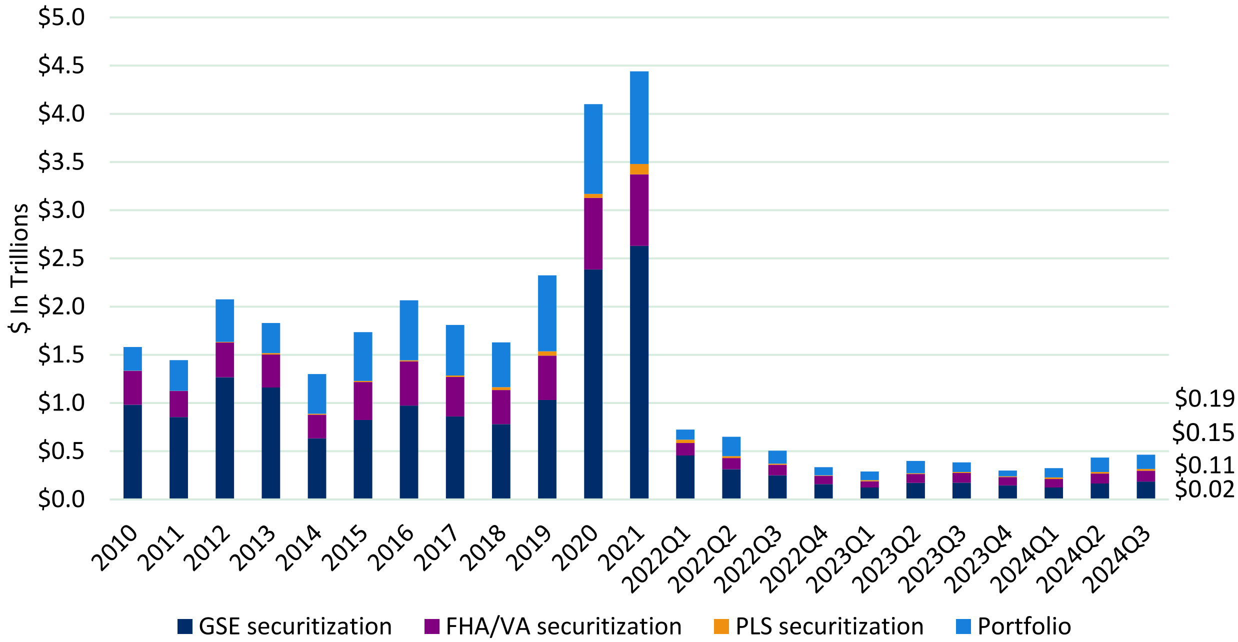
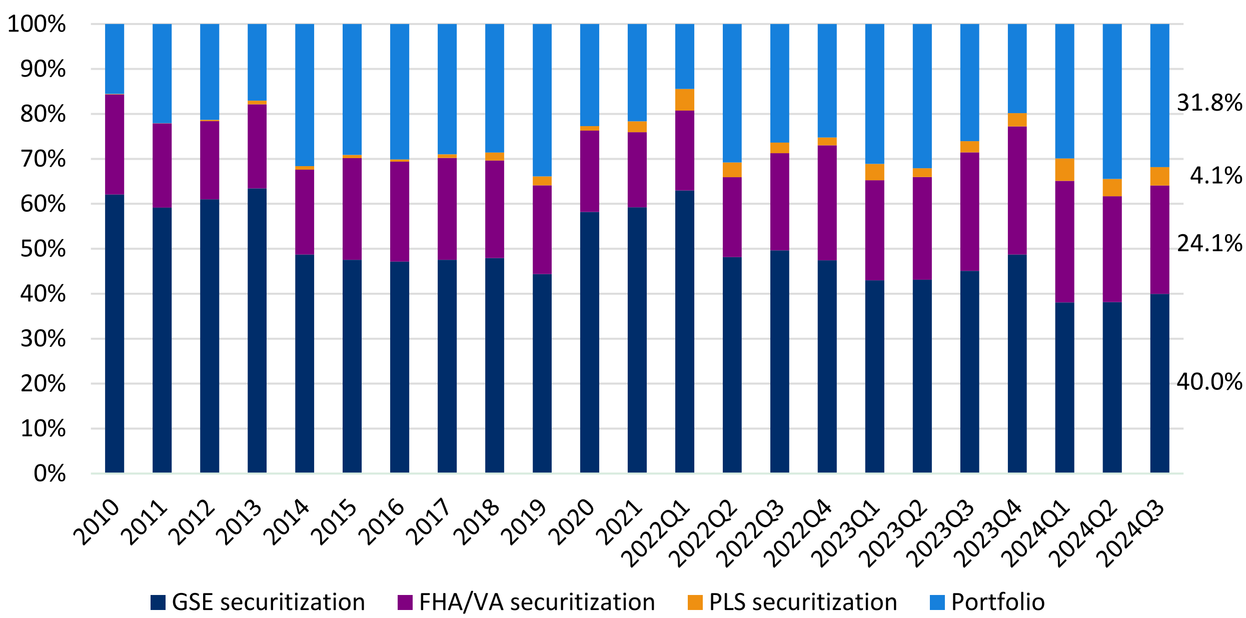


Figure 27. First Lien Origination Share



Source: Inside Mortgage Finance Publications, Copyright 2024 Used with permission

6.3 Agency Issuance and Agency Outstanding by State

Ginnie Mae MBS represents approximately 39% of new Agency issuance over the past year, roughly 11% higher than Ginnie Mae's 28% share of Agency outstanding. The share of Ginnie Mae's new Agency issuance varies across states, with the largest share by UPB being in Mississippi (62%) and the smallest in the District of Columbia (22%). The highest Ginnie Mae outstanding share is in Mississippi (51%) and the lowest in the District of Columbia (15%).

Table 7. Agency Issuance Breakdown by State

	Agency Issuance (past 1 year)				Agency Outstanding (past 1 year)			
	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)
National	**39%**	**1,551,389**	**322.21**	**318.52**	**28%**	**11,520,558**	**216.62**	**212.54**
AK	59%	3,966	375.62	323.90	49%	37,867	266.67	219.25
AL	56%	38,808	252.57	252.40	44%	257,281	169.86	179.40
AR	48%	20,046	220.02	246.34	41%	145,232	142.51	164.87
AZ	44%	50,234	358.96	355.61	28%	307,796	241.44	229.77
CA	35%	93,344	506.73	495.79	18%	741,922	343.63	317.07
CO	38%	33,664	441.73	421.30	25%	230,093	310.86	280.60
CT	30%	10,625	312.79	315.97	26%	109,380	208.27	209.77
DC	22%	984	564.04	475.58	15%	9,579	397.77	344.43
DE	40%	6,602	310.13	319.92	32%	55,363	212.45	213.60
FL	47%	150,830	339.92	329.91	35%	949,794	232.50	218.37
GA	48%	80,607	299.35	323.85	36%	536,859	196.95	212.11
HI	47%	3,658	665.28	552.75	33%	35,249	476.28	355.96
IA	32%	11,390	213.02	214.58	24%	87,379	142.39	148.63
ID	39%	10,889	367.26	340.45	26%	69,930	240.76	227.01
IL	27%	43,034	239.05	269.76	23%	385,173	165.77	180.17
IN	40%	41,060	225.45	229.33	32%	295,513	145.41	154.51
KS	39%	13,468	224.25	240.61	31%	100,091	149.06	165.45
KY	48%	25,449	227.88	232.71	37%	176,569	153.51	157.62
LA	56%	26,099	224.30	240.21	43%	216,619	162.96	175.64
MA	26%	13,945	432.96	429.45	17%	120,497	296.98	268.26
MD	46%	35,283	387.40	364.76	35%	308,329	272.89	248.78
ME	35%	5,111	288.15	306.09	27%	39,566	188.00	195.37
MI	28%	34,514	218.88	236.30	21%	287,273	141.18	157.59
MN	24%	17,487	286.00	294.67	19%	164,222	190.11	199.39
MO	39%	34,121	231.15	243.11	31%	255,954	151.46	164.14
MS	62%	17,824	226.90	229.26	51%	131,911	153.21	161.82
MT	37%	4,224	364.57	337.64	25%	33,535	224.58	219.07
NC	43%	71,202	294.11	315.12	31%	447,802	192.77	207.29
ND	39%	2,294	273.87	262.40	26%	17,649	199.40	181.95
NE	37%	8,585	254.68	245.37	28%	67,321	160.97	163.02
NH	28%	4,584	371.23	353.77	23%	39,379	237.62	219.32
NJ	29%	26,803	380.41	393.16	22%	241,924	252.10	255.94
NM	51%	12,729	283.79	286.13	40%	100,753	179.04	181.42
NV	46%	21,738	388.50	361.10	33%	146,888	266.41	239.34
NY	25%	27,607	344.56	357.00	21%	316,353	220.16	249.49
OH	36%	55,415	220.50	225.74	30%	443,792	139.27	152.04
OK	52%	26,208	231.43	233.83	44%	199,307	151.30	165.08
OR	32%	15,540	387.40	390.24	21%	118,843	267.86	255.24
PA	30%	40,660	234.45	271.45	26%	401,896	154.24	183.73
RI	43%	4,465	390.47	351.99	32%	37,986	249.42	214.90
SC	48%	43,032	288.71	283.92	37%	260,616	198.53	195.71
SD	43%	4,351	277.22	260.11	32%	30,920	185.17	178.12
TN	45%	46,553	302.05	309.48	33%	289,538	194.84	210.37
TX	43%	178,610	306.67	329.05	34%	1,220,911	201.03	219.61
UT	37%	17,505	419.40	412.67	21%	106,841	286.27	267.39
VA	49%	55,518	377.79	364.67	38%	465,719	266.05	250.12
VI	24%	60	407.44	441.77	24%	803	265.89	307.17
VT	23%	1,258	284.24	294.45	19%	12,444	186.12	183.21
WA	34%	31,196	442.79	447.12	23%	245,272	300.33	291.84
WI	26%	16,306	249.46	254.15	18%	128,517	164.54	163.74
WV	55%	8,282	226.19	205.72	46%	64,110	151.80	145.63
WY	49%	3,622	312.95	290.41	37%	25,998	215.68	201.65

Source: Recursion. Note: Outstanding balance based on loan balance as of November 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 November 2024, the weighted average coupon (WAC) on outstanding Ginnie Mae MBS increased from 3.78% in October 2024 to 3.80% as seen in **Figure 28**. **Figure 29** illustrates that loans originated since 2019 account for approximately 84% of Ginnie Mae MBS collateral outstanding.

Figure 28. Outstanding Ginnie Mae MBS Balance, by Coupon

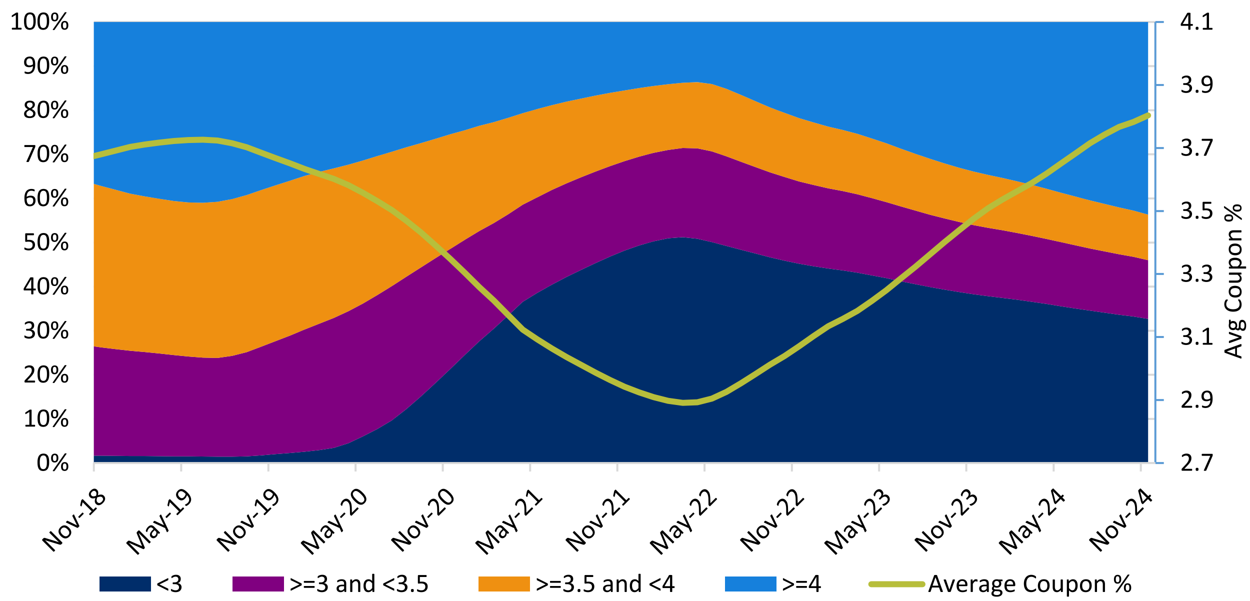
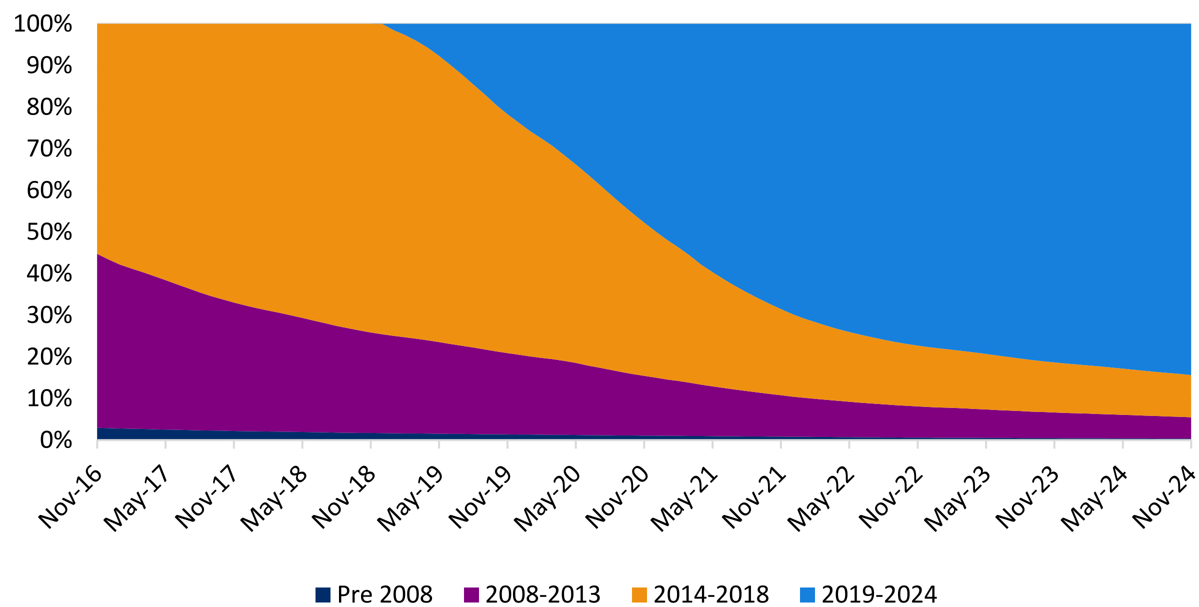


Figure 29. Outstanding Ginnie Mae MBS Balance, by Vintage



Source: Recursion. Note: November 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 Single-Family and Multifamily Real Estate Mortgage Investment Conduit (REMIC) issuance volume for the month of November was approximately $10.6 billion. This represents a 37.21% MoM decrease from $16.8 billion in October 2024, and a 19.65% increase YoY from $8.8 billion in November 2023. Approximately $490.6 million of the November 2024 issuance volume were Multifamily MBS having coupons over 5.0%, and approximately $9.1 billion were Single-Family MBS having coupons over 5.0%. Roughly $285.3 million of previously securitized REMICs were re-securitized into new REMIC deals in November.

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

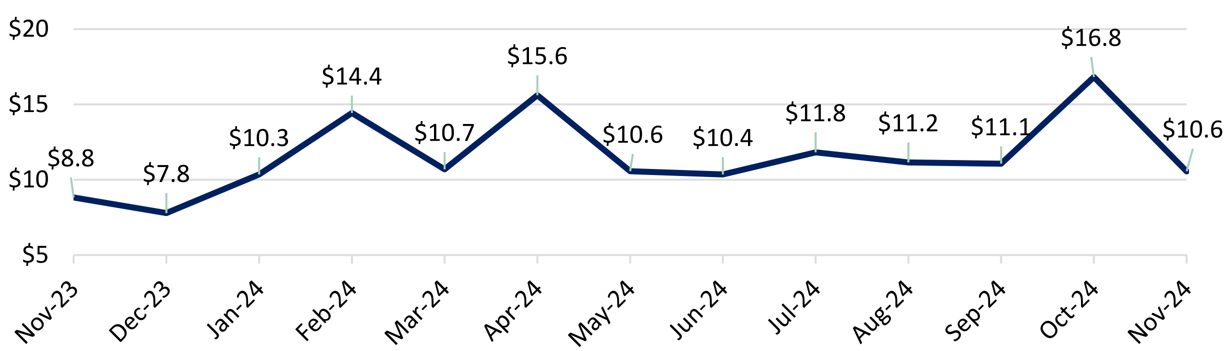


Table 8. November 2024 REMIC Issuance Breakdown

Net Coupon (%)	Principal ($MM) for MBS Deals	Principal ($MM) for Re-REMIC Deals	Principal % for MBS Deals	Principal % for Re-REMIC Deals
Multifamily				
<2.01	-	$27.6	-	5.1%
3.01-4.01	$25.4	-	4.7%	-
5.01-6.01	$490.6	-	90.3%	-
Subtotal	**$516.0**	**$27.6**	**94.9%**	**5.1%**
Single-Family				
<2.01	-	$34.2	-	0.3%
2.51-3.01	-	$19.4	-	0.2%
3.01-3.51	$347.0	-	3.5%	-
3.51-4.01	$268.8	-	2.7%	-
4.51-5.01	-	$26.1	-	0.3%
5.01-5.51	$1,516.7	$49.4	15.1%	0.5%
5.51-6.01	$4,189.1	$128.6	41.8%	1.3%
6.01-6.51	$2,155.9	-	21.5%	-
6.51-7.01	$1,089.9	-	10.9%	-
>7.01	$192.6	-	1.9%	-
Subtotal	**$9,760.0**	**$257.7**	**97.4%**	**2.6%**
Grand Total [4]	**$10,276.0**	**$285.3**	**96.2%**	**2.7%**

Source: Ginnie Mae Disclosure Files. Note: Data excludes principal amount for notional deals

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

7.2 REMIC Market Snapshot

- In November 2024, Ginnie Mae's total Single-Family, Multifamily, and HMBS REMIC issuance totaled $11.1 billion, a 41.5% or $7.9 billion increase MoM.
- In November 2024, total Single-Family and Multifamily issuance across the three Agencies increased 8.1% or $2.9 billion MoM.
- In November 2024, Ginnie Mae saw a decrease in their Single-Family REMIC issuance collateral coupon of 1 bps, while Fannie Mae and Freddie Mac saw an increase of 17 and 5 bps, respectively.
- In November 2024, Freddie Mac and Fannie Mae saw an increase in their Multifamily REMIC issuance collateral coupon of 2 bps and 173 bps. Ginnie Mae saw an increase of 45 bps in their Multifamily REMIC issuance collateral coupon.

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

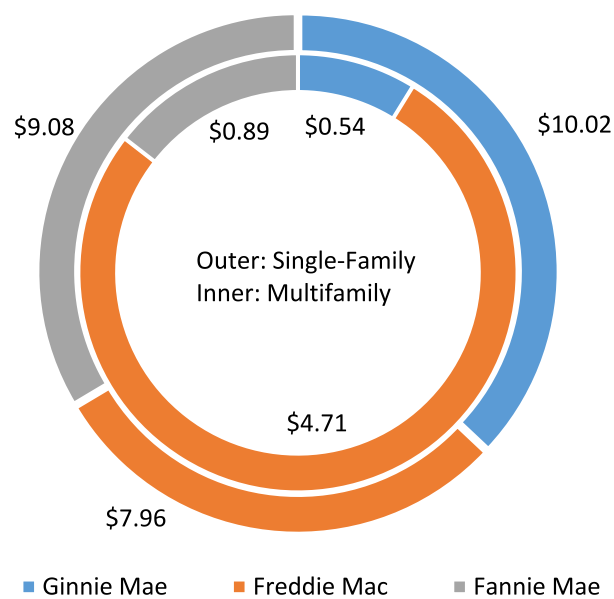


Table 9. November 2024 REMIC Issuance by Agency

	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	$10.02	37%	11	$0.54	9%	4
Freddie Mac	$7.96	29%	11	$4.71	77%	8
Fannie Mae	$9.08	34%	11	$0.89	14%	1
Total [5]	**$27.06**	**100%**	**33**	**$6.14**	**100%**	**13**

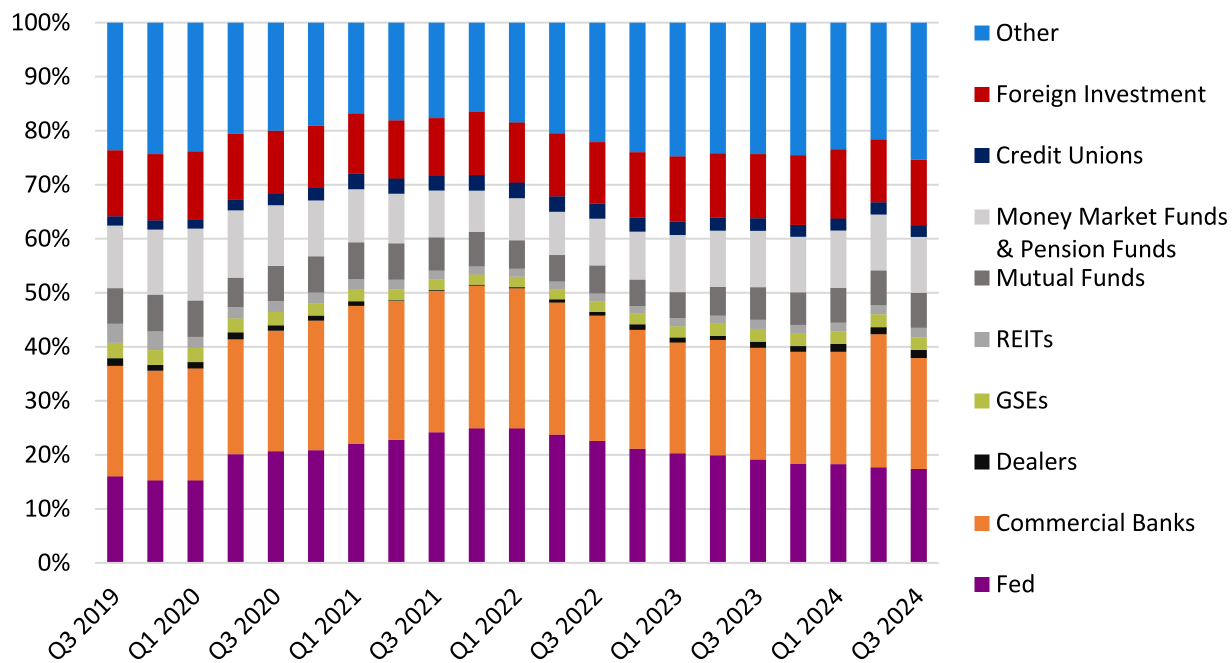
Source: Relay & FDS files posted to Ginnie Mae, Fannie Mae, and Freddie Mac

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

8 MBS OWNERSHIP

In Q3 2024, the largest holders of Agency debt (Agency MBS plus Agency notes and bonds) included commercial banks (21%), the Fed (17%), and foreign investors (12%). The Fed's share roughly held even quarter over quarter (QoQ). Out of the approximately $2.65 trillion in holdings as of the end of November 2024, roughly $1.99 trillion was held by the top 25 domestic banks per **Table 10** 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 Q3 2024.

8.1 Commercial Bank Holdings of Agency MBS

Table 10. Commercial Bank Holdings of Agency MBS

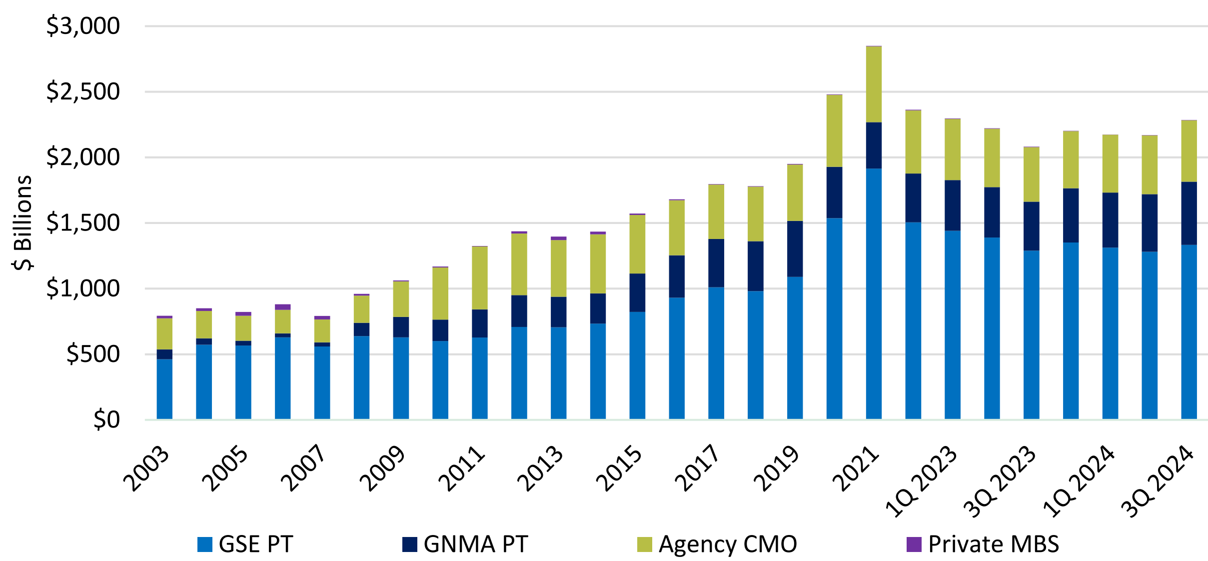
	Commercial Bank Holdings ($Billions)								
	Mar-24	**Apr-24**	**May-24**	**Jun-24**	**Jul-24**	**Aug-24**	**Sep-24**	**Oct-24**	**Nov-24**
Largest 25 Domestic Banks	$1,919.6	$1,912.7	$1,913.1	$1,946.1	$1,957.4	$1,975.1	$1,549.5	$1,994.3	$1,992.1
Small Domestic Banks	$583.4	$591.3	$586.6	$591.0	$596.1	$601.1	$612.9	$621.1	$615.4
Foreign Related Banks	$30.7	$29.5	$30.4	$31.2	$30.6	$33.9	$36.3	$37.3	$40.5
Total, Seasonally Adjusted	**$2,533.7**	**$2,533.5**	**$2,530.1**	**$2,568.3**	**$2,584.1**	**$2,610.1**	**$2,198.7**	**$2,652.7**	**$2,648.0**

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

8.2 Bank and Thrift Residential MBS Holdings

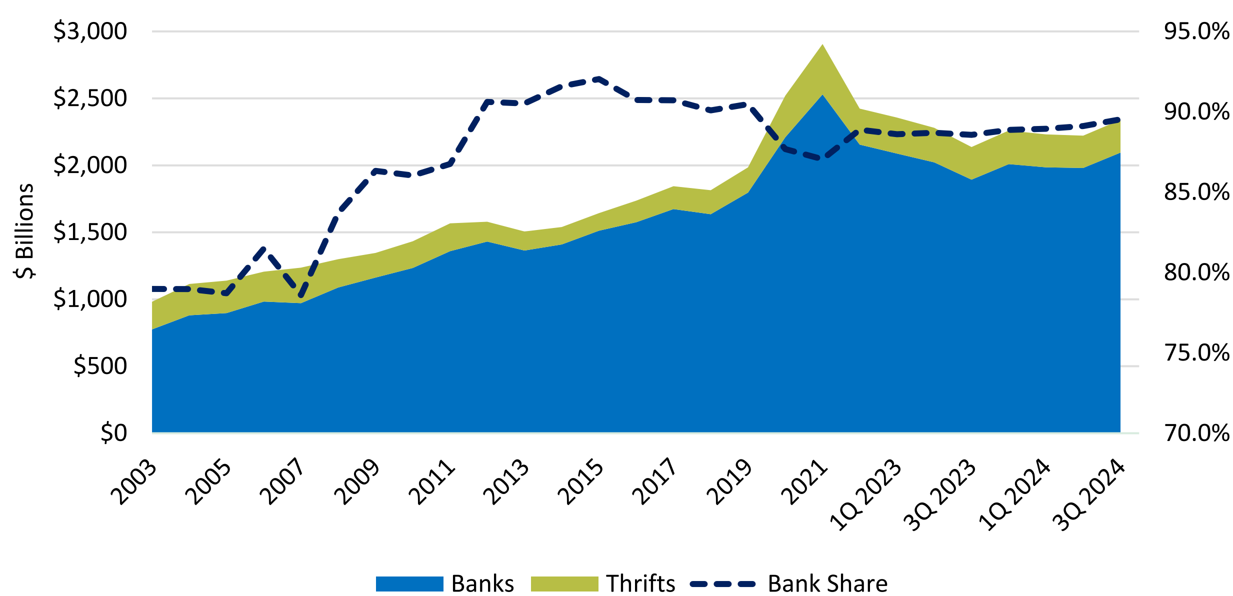
Total MBS holdings at banks and thrifts increased approximately 5.3% from Q2 2024 to Q3 2024. Private MBS holdings at banks and thrifts marked the largest change from Q2 2024 to Q3 2024, increasing approximately 19.1%. Ginnie Mae PT holdings marked the largest increase over the past year, increasing 29.2% from Q3 2023. Out of the $2.22 trillion in MBS holdings at banks and thrifts as of Q3 2024, $1.33 trillion were GSE pass-throughs and $481.4 billion were Ginnie Mae pass-throughs. Private MBS holdings showed the largest percentage decrease of 29.0% from Q2 2023 to Q2 2024.

Figure 33. All Banks and Thrifts MBS Holdings



Source: Inside Mortgage Finance Publications, Copyright 2024 Used with permission

Figure 34. All MBS Holdings Banks vs. Thrifts



Source: Inside Mortgage Finance Publications, Copyright 2024 Used with permission

Table 11. Snapshot of Bank and Thrift MBS Holdings by Quarter

	All Banks & Thrifts ($ in billions)						All MBS ($ in billions)	
Year	*Total*	*GSE PT*	*GNMA PT*	*Private MBS*	*Agency CMO*	*Private CMO*	*Banks*	*Thrifts*
`	$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	$2,222.3	$1,281.3	$438.2	$2.2	$448.0	$52.7	$1,980.3	$241.9
3Q24	$2,340.0	$1,333.3	$481.4	$2.6	$468.0	$54.7	$2,095.0	$245.0
Change:								
2Q24-3Q24	5.3%	4.1%	9.9%	19.1%	4.5%	3.9%	5.8%	1.3%
3Q23-3Q24	9.5%	3.4%	29.2%	-2.7%	12.3%	-2.1%	10.7%	0.2%

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. Totals may not sum due to rounding. Source: Inside Mortgage Finance Publications, Copyright 2024 Used with permission

Table 12. Top 20 Bank and Thrift Residential MBS Investors ($ in millions)

Rank	*Institution*	*Total*	*GSE PT*	*GNMA PT*	*Agency CMO*	*Non-Agency*	*Share*	*3Q23-3Q24*
1	Bank of America Corp.	$422,135.0	$337,852.0	$63,743.0	$20,350.0	$190.0	18.0%	7.8%
2	Wells Fargo & Company	$287,789.0	$171,080.0	$112,077.0	$4,572.0	$60.0	12.3%	30.1%
3	JPMorgan Chase & Co.	$153,223.0	$75,526.0	$64,968.0	$474.0	$12,255.0	6.5%	-1.7%
4	Charles Schwab	$135,771.5	$76,081.4	$4,944.8	$54,745.3	$0.0	5.8%	-7.1%
5	U.S. Bancorp	$95,897.9	$57,047.5	$29,835.8	$9,014.6	$0.0	4.1%	3.1%
6	Citigroup Inc.	$93,206.0	$62,644.0	$27,886.0	$1,929.0	$747.0	4.0%	13.5%
7	Truist Bank	$90,690.0	$36,271.0	$25,772.0	$28,647.0	$0.0	3.9%	-3.9%
8	PNC Bank, National Association	$69,567.4	$55,597.3	$3,655.6	$9,451.3	$863.2	3.0%	5.2%
9	Capital One Financial	$65,954.9	$31,355.0	$14,204.0	$20,091.9	$304.0	2.8%	10.8%
10	Morgan Stanley	$49,076.0	$29,265.0	$8,448.0	$11,245.0	$118.0	2.1%	3.7%
11	Bank of New York Mellon	$44,442.0	$29,092.0	$4,466.0	$9,287.0	$1,597.0	1.9%	18.2%
12	State Street Bank and Trust Company	$36,894.1	$12,576.0	$9,978.0	$11,804.1	$2,536.0	1.6%	6.4%
13	USAA Federal Savings Bank	$35,117.0	$29,521.0	$1,685.0	$3,911.0	$0.0	1.5%	-0.5%
14	Citizens Bank	$30,337.2	$12,909.2	$7,045.8	$10,382.2	$0.0	1.3%	32.4%
15	BMO Harris Bank National Association	$26,878.7	$3,699.3	$5,622.5	$17,556.9	$0.0	1.1%	-6.3%
16	Huntington National Bank	$25,544.1	$10,219.7	$8,318.4	$6,892.1	$113.9	1.1%	-2.1%
17	KeyBank National Association	$24,988.5	$3,370.2	$4,094.3	$17,524.0	$0.0	1.1%	8.1%
18	HSBC Bank USA	$24,475.6	$3,067.0	$16,663.0	$4,745.0	$0.6	1.0%	6.2%
19	TD Bank USA/TD Bank NA	$23,678.6	$1,347.7	$68.5	$22,262.2	$0.2	1.0%	-8.9%
20	Regions Bank	$22,718.0	$16,770.0	$3,841.0	$2,107.0	$0.0	1.0%	42.4%
Total	**Top 20**	**$1,758,384.6**	**$1,055,291.2**	**$417,316.8**	**$266,991.7**	**$18,784.9**	**75.1%**	**7.7%**

Source: Inside Mortgage Finance Publications, Copyright 2024 Used with permission. *Totals may not sum due to rounding.*

8.3 SOMA Holdings

FOMC and Economic Highlights:

- FOMC Meeting November 7, 2024 Press Release:
  - *"In support of its goals, the Committee decided to lower the target range for the federal funds rate by 1/4 percentage point to 4-1/4 to 4-1/2percent."*
  - *"The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. The Committee judges that the risks to achieving its employment and inflation goals are roughly in balance. The economic outlook is uncertain, and the Committee is attentive to the risks to both sides of its dual mandate."*
  - *"The Committee's assessments will take into account a wide range of information, including readings on labor market conditions, inflation pressures and inflation expectations, and financial and international developments."*
- During his Postmeeting Press Conference on December 12, 2024 , Fed's Chair Powell discussed the rate cut decision, and the outlook for the economy/inflation.
  - *"The economy is strong overall and has made significant progress toward our goals over the past two years. The labor market has cooled from its formerly overheated state and remains solid. Inflation has moved much closer our 2 percent longer-run goal."*
  - *"…the Federal Open Market Committee decided to take another step in reducing the degree of policy restraint by lowering our policy interest rate by 1/4 percentage point.."*
  - *"We also decided to continue to reduce our securities holdings."*
  - *"Recent indicators suggest that economic activity has continued to expand at a solid pace. GDP rose at an annual rate of 2.8 percent in the third quarter, about the same pace as in the second quarter. Growth of consumer spending has remained resilient, and investment in equipment and intangibles has strengthened. In contrast, activity in the housing sector has been weak.."*
  - *"The unemployment rate is higher than it was a year ago but at 4.2 percent in November, it has remained low.", "The labor market is not a source of significant inflationary pressures."*
- The next FOMC meetings is scheduled for January 28th - 29th 2025.
  - On December 18 2024, the UST 10-year yield closed at 4.50%, while the Ginnie Mae II 30-year 5.5% coupon yield closed at 5.63% and the 6.0% coupon yield closed at 5.83%, a spread of 113 bps and 133 bps, respectively.
  - PCE inflation increased to +2.4% and core PCE inflation, which is the Fed benchmark, remained unchanged at 2.8% in November 2024, per the December 20, 2024 Core PCE report.
  - Per the December 6, 2024 jobs report, 227,000 new jobs were created, more than expected, and the unemployment rate edged higher, as expected, to 4.2% in November 2024. Jobs added in September were revised significantly up to 255,000 from 223,000 and October's were revised up to 36,000 from 12,000. The uptick in the unemployment rate increased market expectations of another quarter point cut in interest rates at the next FOMC meeting.

SOMA Portfolio Highlights (October 30, 2024 versus November 27, 2024):

- SOMA holdings of domestic securities totaled $6.5 trillion on November 27th (a decrease of $52.4 billion or -0.80% from October 30th). $35.4 billion (68% of the total decrease) was in U.S. Treasury holdings and $16.9 billion (32% of the total decrease) was in Agency MBS.
- Since the institution of redemption caps in June 2022, SOMA holdings have decreased by $1.936

trillion. The total reduction of holdings of U.S. Treasuries was $1.477 trillion and $0.458 trillion for Agency MBS. This represents 96.2% and 45.9% of the total redemption cap over the period for U.S. Treasuries and Agency MBS, respectively. Beginning in June 2024, the Fed reduced its redemption cap for U.S. Treasuries from $60 billion to $25 billion per month. The cap remained unchanged for Agency MBS.

- Agency MBS comprise about 35% of the total SOMA portfolio. The $16.9 billion monthly decrease was primarily due to MBS principal repayments rather than outright sales and was comprised of a $7.1 billion decrease in Fannie Mae holdings, a $6.2 billion decrease in Freddie Mac holdings, and a $3.7 billion decrease in Ginnie Mae holdings. Since the Fed's QT program began in June 2022, there have only been 28 outright sales of Agency MBS specified pools, totaling $961 million.
- Over 99% of SOMA Agency MBS holdings have coupons of 4.5% or lower with an average WAC of 2.503%.
- The redemption cap for SOMA's Agency MBS holdings is set at $35 billion per month. The reduction of $16.9 billion in Agency MBS represents 48% of the monthly liquidation cap.

Table 13. SOMA Holdings as of October 30, 2024 and November 27, 2024 ($ Billions)

Holdings by Security Type	October 30, 2024		November 27, 2024		Month-Over-Month	
	SOMA Holdings	% Share	SOMA Holdings	% Share	$ Change	% Change[6]
U.S. Treasuries	$4,240.7	65.15%	$4,205.3	65.13%	-$35.4	-0.83%
Federal Agency Debt	$2.3	0.04%	$2.3	0.04%	$0.0	0.00%
Agency MBS	$2,257.9	34.69%	$2,240.9	34.71%	-$16.9	-0.75%
Agency Commercial MBS	$8.1	0.12%	$8.1	0.12%	$0.0	-0.49%
Total SOMA Holdings	**$6,509.0**	**100.0%**	**$6,456.6**	**100.0%**	**-$52.4**	**-0.80%**

Table 14. SOMA Agency MBS Holdings Distribution ($ Billions)

Agency	November 1, 2024		October 30, 2024		November 27, 2024	
	Singly-Family AMBS Outstanding	% AMBS Outstanding	SOMA AMBS Holdings	% SOMA Holdings	SOMA AMBS Holdings	% SOMA Holdings
Fannie Mae	$3,559.4	39.4%	$928.5	41.1%	$921.5	41.1%
Freddie Mac	$3,004.9	33.3%	$865.7	38.3%	$859.5	38.4%
Ginnie Mae	$2,465.0	27.3%	$463.6	20.5%	$459.9	20.5%
Total	**$9,029.3**	**100.0%**	**$2,257.9**	**100.0%**	**$2,240.9**	**100.0%**

Table 15. SOMA Agency MBS Liquidations from October 30 to November 27, 2024 ($ Billions)

	MBS Holdings October 30, 2024	MBS Holdings November 27, 2024	Liquidated Amount	Liquidation Cap[7]	% of Liquidation Cap
Total	$2,257.9	$2,240.9	$16.9	$35.0	48%

Source: New York FED SOMA Holdings https://www.newyorkfed.org/markets/soma-holdings as of December 20, 2024.

[6] *Figures in $ billions, any change less than $50 million will be expressed as a "$0.0" change in the "$ Change" column.*
[7] *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 October 2024, foreign ownership of MBS represented approximately $1.31 trillion in Agency MBS, up approximately $124 billion from October 2023. Total foreign ownership of Agency MBS represents roughly 15% of total Agency MBS outstanding. Total foreign ownership excluding Fed Holdings and CMOs represents roughly 23% of total Agency MBS available.

Figure 35. Agency MBS Owned by Foreign Entities Ex-Fed Holdings and CMOs (USD Billions)

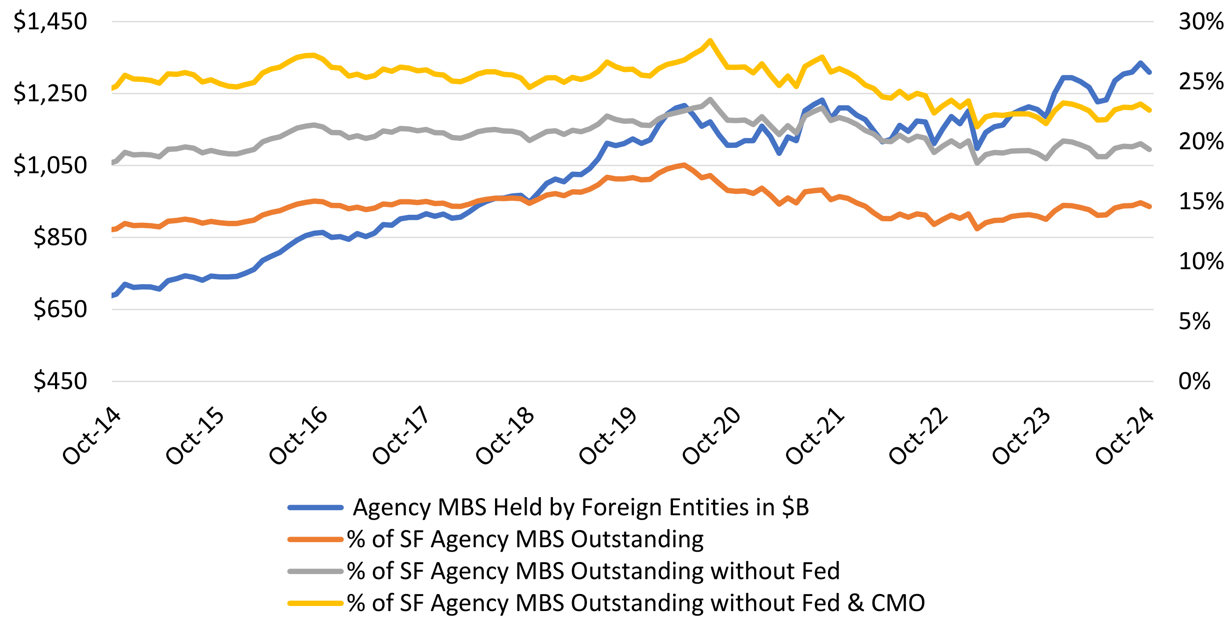
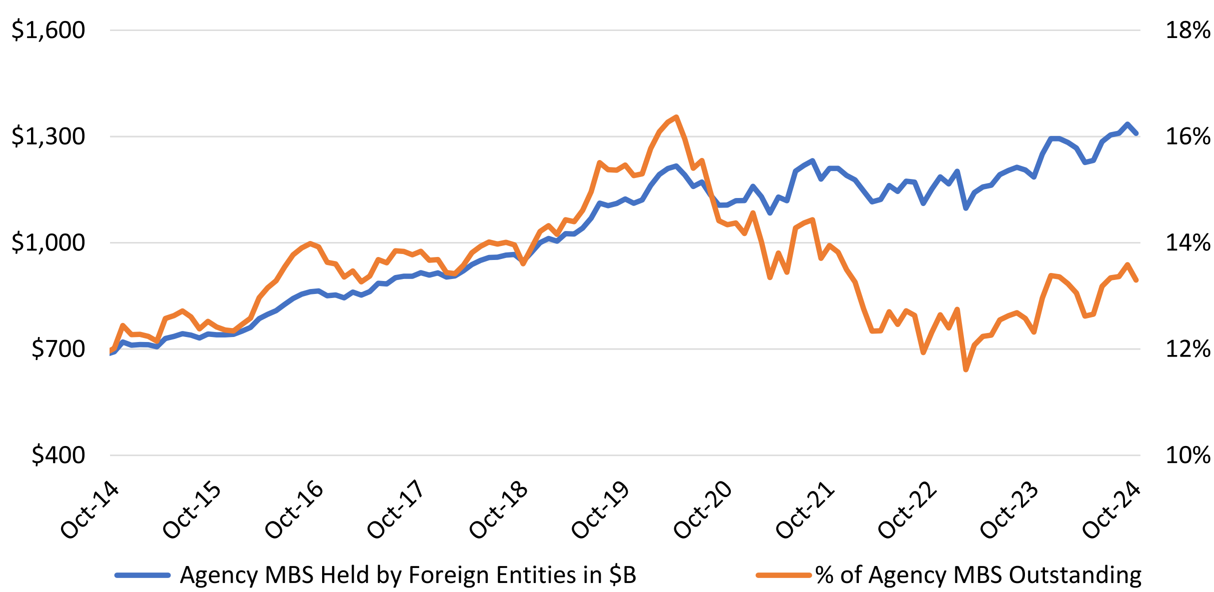


Figure 36. Agency MBS Owned by Foreign Entities (USD Billions)



Sources: TIC and Recursion, as of December 2024.

8.5 Foreign Ownership of Agency Debt

The largest holders of Agency Debt were Japan, China, and Taiwan. As of September 2024, these three owned roughly 51% of all foreign owned Agency Debt. Between September 2023 and September 2024, China and Taiwan decreased their Agency Debt holdings while Japan increased their Agency Debt holdings. Japan's holdings increased by $16.5 billion. China's holdings decreased by $22.2 billion, and Taiwan's holdings decreased by $0.8 billion.

Table 16. All Agency Debt (QoQ)

Country	*Level of Holdings ($ Millions)*				*Change in Holdings ($ Millions)*			
	12/1/2023	**3/1/2024**	**6/1/2024**	**9/1/2024**	**Q4 2023**	**Q1 2024**	**Q2 2024**	**Q3 2024**
Japan	$259,059	$248,603	$244,007	$268,959	$6,596	($10,456)	($4,596)	24,952
China	$271,478	$255,977	$233,934	$232,895	$16,368	($15,501)	($22,043)	($1,039)
Taiwan	$211,610	$199,560	$194,253	$200,234	$10,600	($12,050)	($5,307)	5,981
Canada	$133,725	$129,900	$157,880	$200,234	$17,083	($3,825)	27,980	42,354
Luxembourg	$46,054	$48,677	$52,756	$57,063	$3,398	2,623	4,079	4,307
United Kingdom	$120,148	$39,768	$47,710	$48,793	$30,131	($80,380)	7,942	1,083
Cayman Islands	$42,342	$41,961	$40,740	$47,252	$5,253	($381)	($1,221)	6,512
Ireland	$39,543	$41,497	$37,289	$39,848	($154)	$1,954	($4,208)	2,559
South Korea	$38,381	$36,519	$36,129	$37,001	$1,873	($1,862)	($390)	872
Bermuda	25,492	24,885	26,737	28,523	2,727	(607)	1,852	1,786
Other	235,413	243,350	255,239	212,070	15,714	7,937	11,889	(43,169)
Total	**$1,423,245**	**$1,310,697**	**$1,326,674**	**$1,372,872**	**$109,589**	**($112,548)**	**$15,977**	**$46,198**

Table 17. All Agency Debt (YoY)

Country	*Level of Holdings ($ Millions)*		
	9/1/2023	**9/1/2024**	***YoY Change in Holdings ($ Millions)***
Japan	$252,463	$268,959	$16,496
China	$255,110	$232,895	($22,215)
Taiwan	$201,010	$200,234	($776)
Canada	$116,642	$200,234	$83,592
Luxembourg	$42,656	$57,063	$14,407
United Kingdom	$90,017	$48,793	($41,224)
Cayman Islands	$37,089	$47,252	$10,163
Ireland	$39,697	$39,848	$151
South Korea	$36,508	$37,001	$493
Bermuda	$22,765	$28,523	$5,758
Other	$219,699	$212,070	($7,629)
Total	**$1,313,656**	**$1,372,872**	**$59,216**

Source: Treasury International Capital (TIC). Note: Level of agency debt Holdings by month data as of Q3 2024. Table 16 & 17 include the top 10 holders of Agency Debt listed as of September 2024.

9 FIXED INCOME LIQUIDITY INDICATORS

YTD average daily trading volume for Agency MBS was $305 billion as of month-end November 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 from $351 billion in October 2024 to $328 billion in November 2024. *See footnote below for update on "Average Daily Turnover by Sector" data.*

Figure 37. Average Daily Trading Volume by Sector

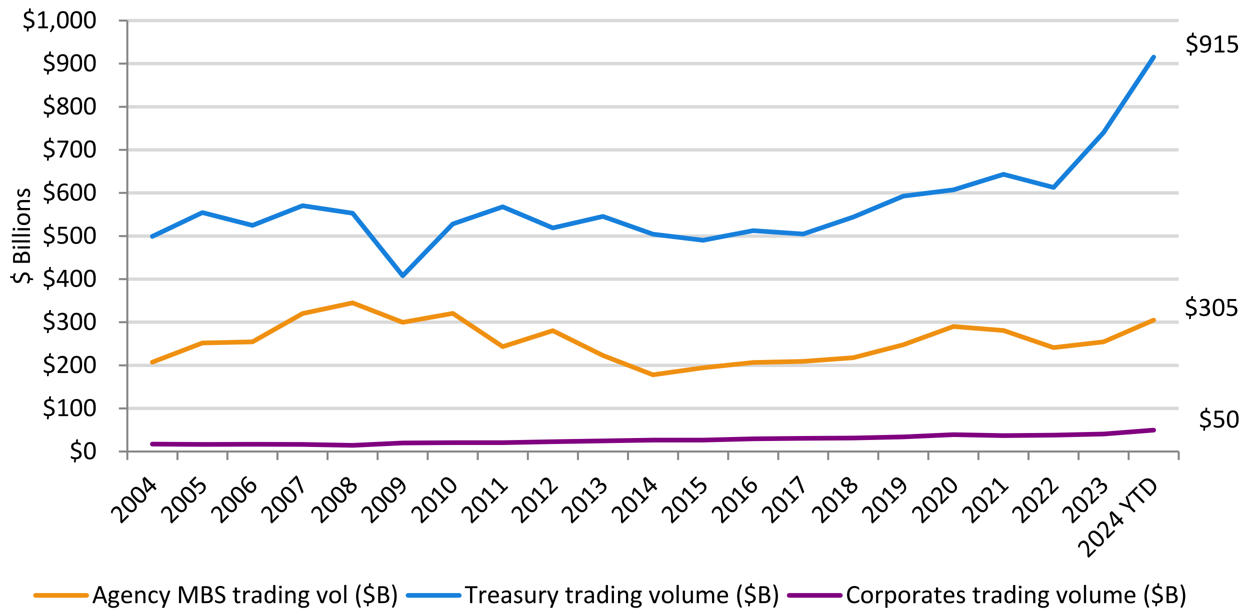
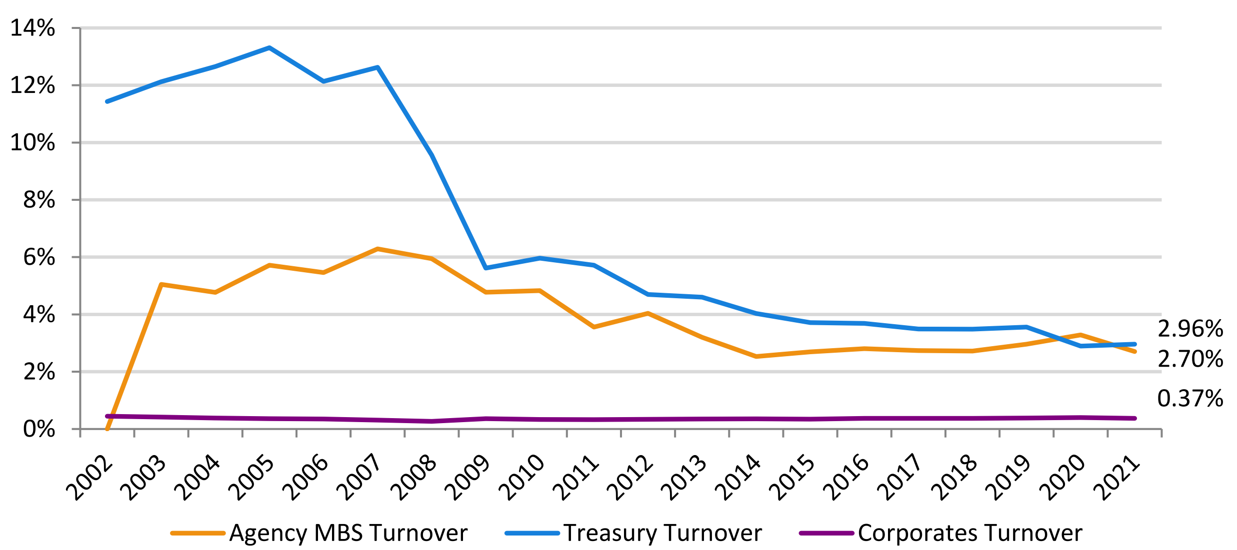


Figure 38. Average Daily Turnover by Sector



Source: SIFMA. Note: Data as of November 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 18, 19, and 20 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 November 2024. The distribution statistics capture some key differences in the populations served by the agencies.

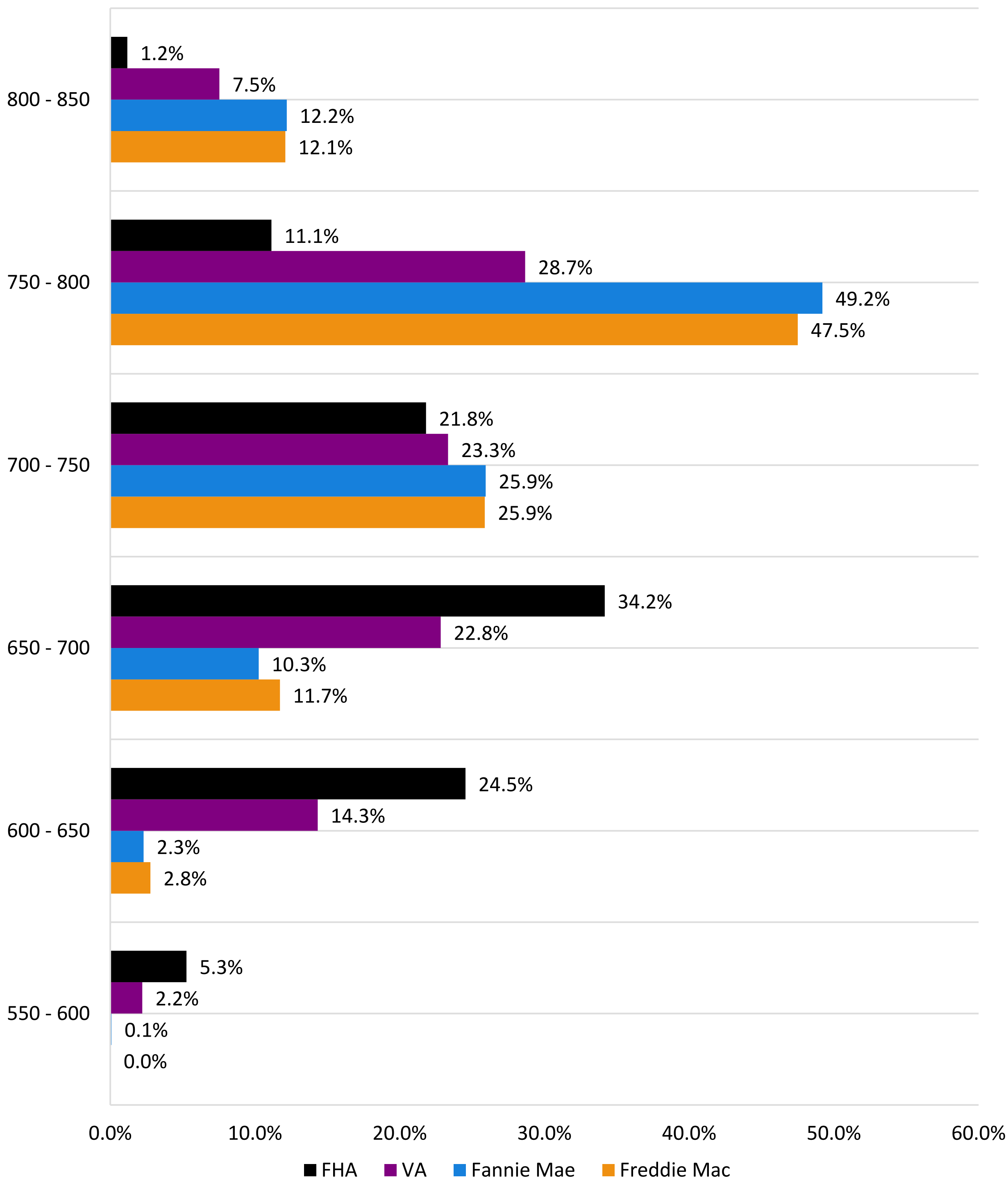
10.1 Credit Scores

Table 18. Share of Loans by FICO Score

			Purchase FICO				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	224,087	655	699	749	783	800	737
Fannie	59,262	701	735	768	791	803	759
Freddie	84,164	691	728	765	790	803	755
Ginnie	80,661	628	657	700	750	786	703
			Refi FICO				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	102,421	636	676	731	774	796	721
Fannie	26,165	672	713	757	784	800	746
Freddie	33,817	678	717	758	785	801	748
Ginnie	42,439	607	643	682	732	773	685
			All FICO				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	332,949	645	688	742	780	799	730
Fannie	85,427	692	729	765	789	802	755
Freddie	117,981	687	725	763	789	802	753
Ginnie	129,541	619	648	690	742	781	693
			Purchase FICO: Ginnie Mae Breakdown by Source				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	80,661	628	657	700	750	786	703
FHA	51,693	624	650	686	730	766	690
VA	26,003	641	681	739	781	800	728
Other	2,965	628	659	702	740	771	700
			Refi FICO: Ginnie Mae Breakdown by Source				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	42,439	607	643	682	732	773	685
FHA	21,055	595	631	664	701	739	665
VA	21,318	623	660	705	757	788	704
Other	66	646	670	700	752	771	706
			All FICO: Ginnie Mae Breakdown by Source				
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	129,541	619	648	690	742	781	693
FHA	78,102	611	642	676	719	758	679
VA	48,157	631	668	722	771	797	716
Other	3,282	626	654	696	736	769	696

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

Figure 39. FICO Distributions by Agency



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

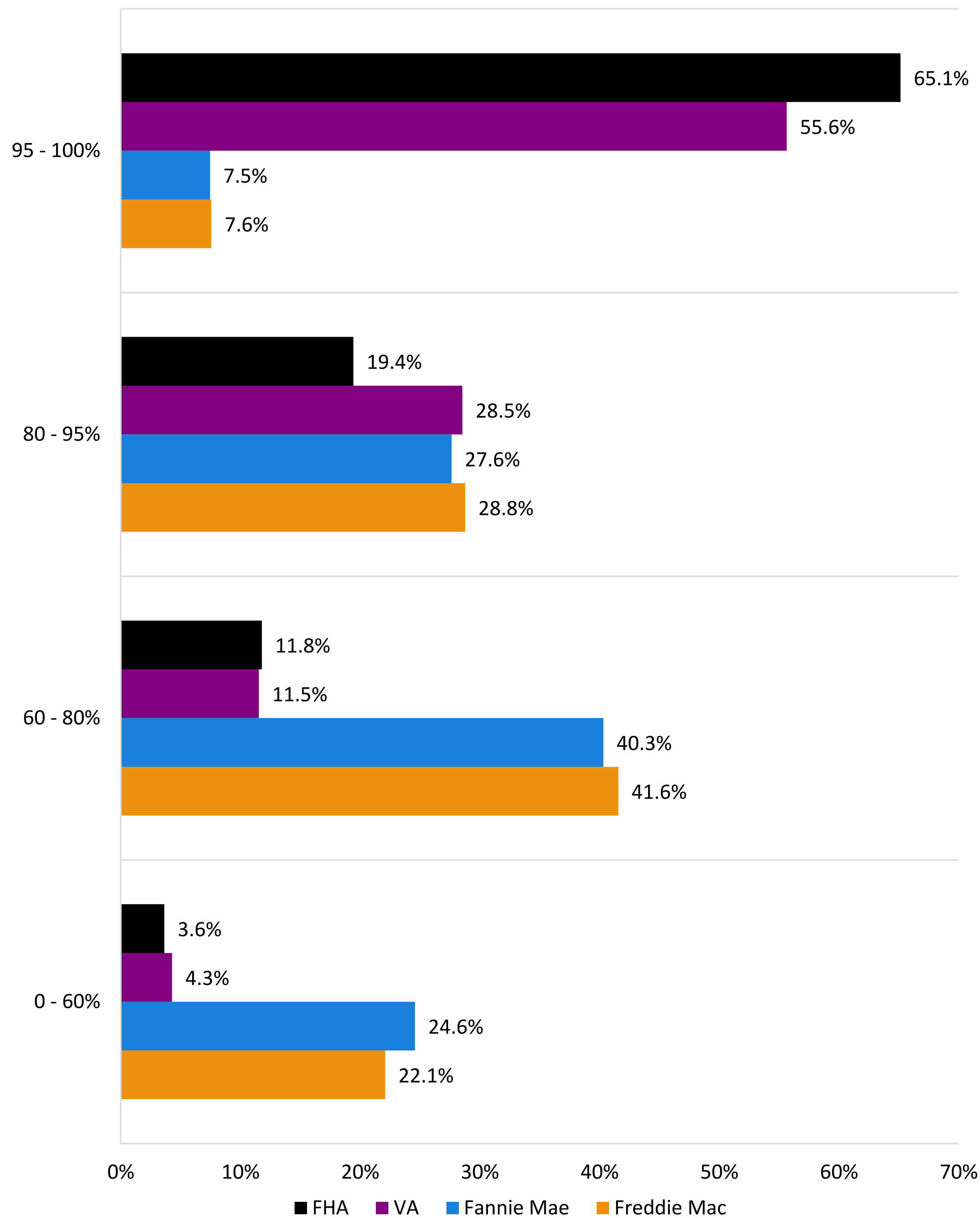
10.2 Loan-to-Value (LTV)

Table 19. Share of Loans by LTV

Purchase LTV							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	224,391	61	80	94	98	99	86
Fannie	59,346	54	75	80	95	97	80
Freddie	84,197	53	75	80	95	97	80
Ginnie	80,848	91	97	98	100	100	96
Refi LTV							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	112,753	42	60	76	90	99	73
Fannie	26,166	33	49	63	75	84	61
Freddie	33,819	34	51	68	77	85	63
Ginnie	52,768	66	79	89	99	101	86
All LTV							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	344,845	53	73	87	97	99	82
Fannie	85,512	44	61	80	90	95	74
Freddie	118,016	45	65	80	90	95	75
Ginnie	141,317	76	89	98	99	100	92
Purchase LTV: Ginnie Mae Breakdown by Source							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	80,848	91	97	98	100	100	96
FHA	51,814	92	97	98	98	98	96
VA	26,033	83	100	100	100	102	96
Other	3,001	93	98	101	101	101	98
Refi LTV: Ginnie Mae Breakdown by Source							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	52,768	66	79	89	99	101	86
FHA	23,815	60	73	81	92	98	79
VA	28,876	74	86	96	100	103	91
Other	77	58	84	98	101	103	88
All LTV: Ginnie Mae Breakdown by Source							
Names	**Number of Loans**	**P10**	**P25**	**Median**	**P75**	**P90**	**Mean**
All	141,317	76	89	98	99	100	92
FHA	82,046	75	85	98	98	98	91
VA	55,932	78	90	100	100	102	94
Other	3,339	93	98	101	101	101	98

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

Figure 40. Loan-to Value by Agency



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

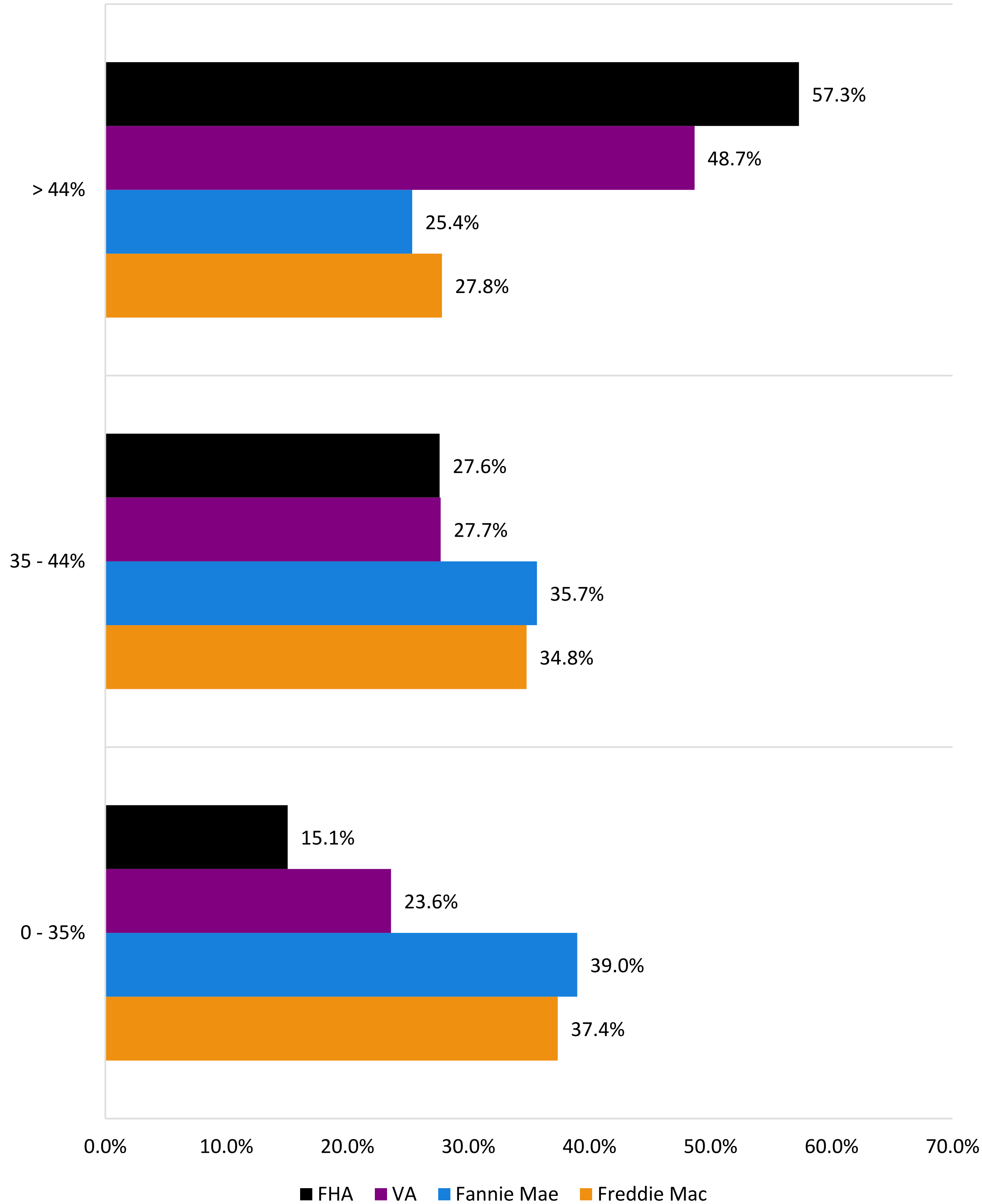
10.3 Debt-to-Income (DTI)

Table 20. Share of Loans by DTI

Names	Number of Loans	P10	P25	Median	P75	P90	Mean
Purchase DTI							
All	224,044	26	34	42	47	50	40
Fannie	59,346	24	31	39	45	49	38
Freddie	84,197	25	32	40	46	49	38
Ginnie	80,501	32	38	45	51	55	44
Refi DTI							
Names	Number of Loans	P10	P25	Median	P75	P90	Mean
All	85,775	24	31	39	45	50	38
Fannie	26,166	23	30	38	44	47	37
Freddie	33,819	23	30	38	44	48	36
Ginnie	25,790	27	35	43	50	55	42
All DTI							
Names	Number of Loans	P10	P25	Median	P75	P90	Mean
All	316,066	26	33	41	47	50	40
Fannie	85,512	24	31	39	45	48	37
Freddie	118,016	24	31	39	45	49	38
Ginnie	112,538	31	38	45	51	55	44
Purchase DTI: Ginnie Mae Breakdown by Source							
Names	Number of Loans	P10	P25	Median	P75	P90	Mean
All	80,501	32	38	45	51	55	44
FHA	51,792	33	40	46	52	55	45
VA	25,708	30	37	44	51	56	43
Other	3,001	27	31	36	40	42	35
Refi DTI: Ginnie Mae Breakdown by Source							
Names	Number of Loans	P10	P25	Median	P75	P90	Mean
All	25,790	27	35	43	50	55	42
FHA	17,089	29	37	44	50	55	43
VA	8,645	24	32	41	49	54	40
Other	56	22	26	34	38	42	33
All DTI: Ginnie Mae Breakdown by Source							
Names	Number of Loans	P10	P25	Median	P75	P90	Mean
All	112,538	31	38	45	51	55	44
FHA	74,233	32	39	46	51	55	44
VA	35,054	28	36	44	50	55	43
Other	3,251	27	32	36	40	42	35

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

Figure 41. Debt-to Income by Agency



Data as of November 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 September 2023 – November 2023 to the three-month range of September 2024 – November 2024, the share of high-LTV agency loans with:

- FICO scores above 750 increased by approximately 3.1%.
- DTIs below 35% decreased by approximately 0.9%.

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 67.89% of its issuances between September 2024 – November 2024 having LTVs of 95 or above, compared to 21.08% for the GSEs.

Table 21. Share of Loans with LTV > 95

	Ginnie Mae	*GSE*	*All*
Sep 2023 – Nov 2023	70.45%	22.27%	41.20%
Sep 2024 – Nov 2024	67.89%	21.08%	40.27%

Table 22. Agency Market Share by DTI and FICO for Loans with LTV > 95 (Sep 2023 – Nov 2023)

	FICO					
DTI	**<650**	**650-700**	**700-750**	**≥750**	**NA**	**All**
<35	1.63%	2.59%	3.69%	6.25%	0.05%	14.22%
35-45	5.03%	7.71%	9.82%	12.07%	0.04%	34.68%
≥45	7.76%	13.91%	14.58%	13.52%	0.10%	49.87%
NA	0.27%	0.22%	0.16%	0.19%	0.39%	1.23%
All	**14.69%**	**24.43%**	**28.25%**	**32.03%**	**0.58%**	**100.00%**

Table 23. Agency Market Share by DTI and FICO for Loans with LTV > 95 (Sep 2024 – Nov 2024)

	FICO					
DTI	**<650**	**650-700**	**700-750**	**≥750**	**NA**	**All**
<35	1.39%	2.24%	3.57%	6.82%	0.07%	14.09%
35-45	4.22%	6.52%	8.72%	11.75%	0.06%	31.26%
≥45	6.43%	11.08%	12.46%	12.35%	0.12%	42.45%
NA	1.44%	1.71%	1.78%	2.10%	5.18%	12.20%
All	**13.48%**	**21.55%**	**26.53%**	**33.02%**	**5.43%**	**100.00%**

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

10.5 Serious Delinquency Rates

Serious delinquency rates for Single-Family VA and FHA loans rose in Q3 2024. From Q2 2024 to Q3 2024, FHA's serious delinquencies rose 50 bps to 3.57% and VA's delinquency rates saw a 19 bp increase to 2.26%. Fannie and Freddie's serious delinquencies saw less movement than FHA and VA in Q3 2024. Fannie Mae and Freddie Mac serious delinquency rates both increased 4 bps from Q2 2024 to Q3 2024, sitting at 0.52% and 0.54%, respectively. The trend in serious delinquency rates is consistent with the decrease in the number of loans in forbearance since the 2020 pandemic.

Figure 42. 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 Q3 2024.

10.6 Credit Box

The first-time homebuyer shares for agency purchase loans was 57.3% as of month-end November 2024, an increase from 57.0% in October 2024 and up from 55.6% in November 2023. Ginnie Mae's first-time homebuyer share, 71.8% as of month-end November 2024, increased 1.6% YoY. Freddie Mac and Fannie Mae's first-time homebuyer shares were 48.0% and 50.8%, respectively, as of month-end November 2024. Freddie Mac's share of first-time borrowers increased 1.1% and Fannie Mae's increased 3.8% YoY.

Table 24 shows that based on mortgages originated as of month-end November 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 43. First-Time Homebuyer Share: Purchase Only Loans

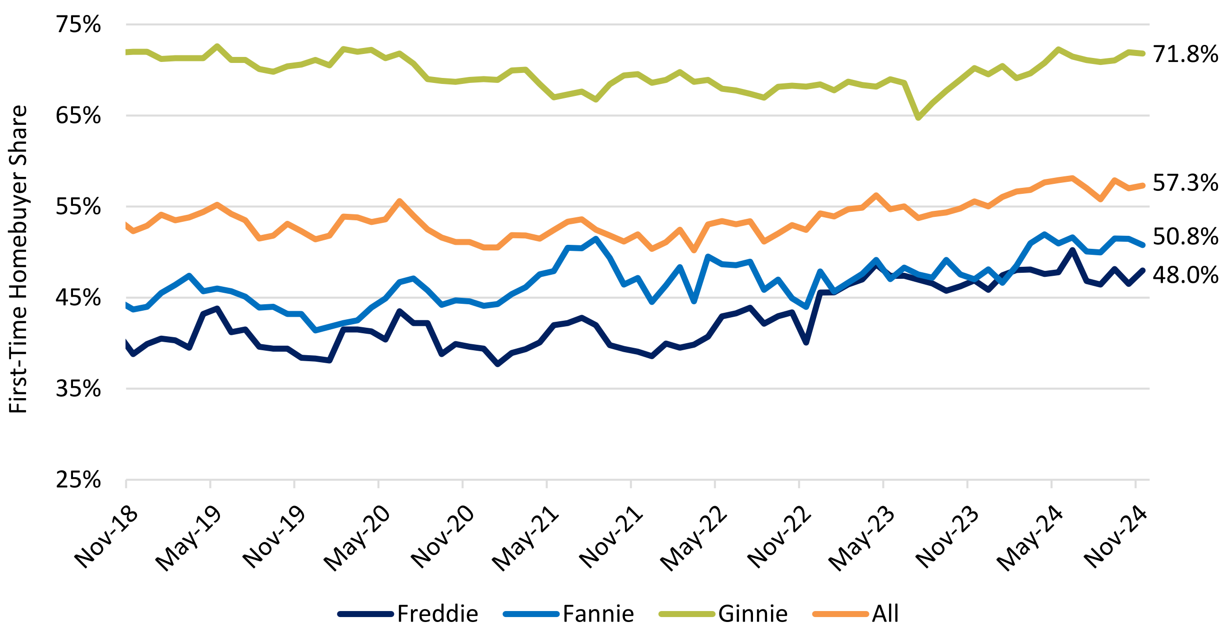


Table 24. Agency First-Time Homebuyer Share Summary

	Fannie Mae		Freddie Mac		Ginnie Mae		All	
	First-Time	*Repeat*	*First-Time*	*Repeat*	*First-Time*	*Repeat*	*First-Time*	*Repeat*
Loan Amount $	$343,386	$361,932	$326,797	$351,272	$324,302	$386,585	$329,558	$362,926
Credit Score	753	765	747	763	696	721	725	754
LTV	85.3%	74.5%	85.2%	74.3%	97.2%	93.7%	90.7%	78.9%
DTI	37.4%	37.7%	38.1%	38.0%	43.8%	45.0%	40.5%	39.6%
Loan Rate	6.1%	6.2%	6.3%	6.3%	5.9%	5.8%	6.1%	6.1%

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

In the Ginnie Mae purchase market, 80.5% of FHA loans, 52.5% of VA loans, and 88.6% of "Other" loans provided financing for first-time home buyers as of month-end November 2024. The share of first-time home buyers in the Ginnie Mae purchase market decreased MtM for FHA and "Other" loan types and stayed constant for VA loans.

Table 25 shows that, based on mortgages originated as of month-end November 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 17.1% smaller loans, had a 27.1-point lower credit score, and a 5.1% 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 similar to repeat buyers, with only 5.6% 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 44. First-time Homebuyer Share: Ginnie Mae Breakdown

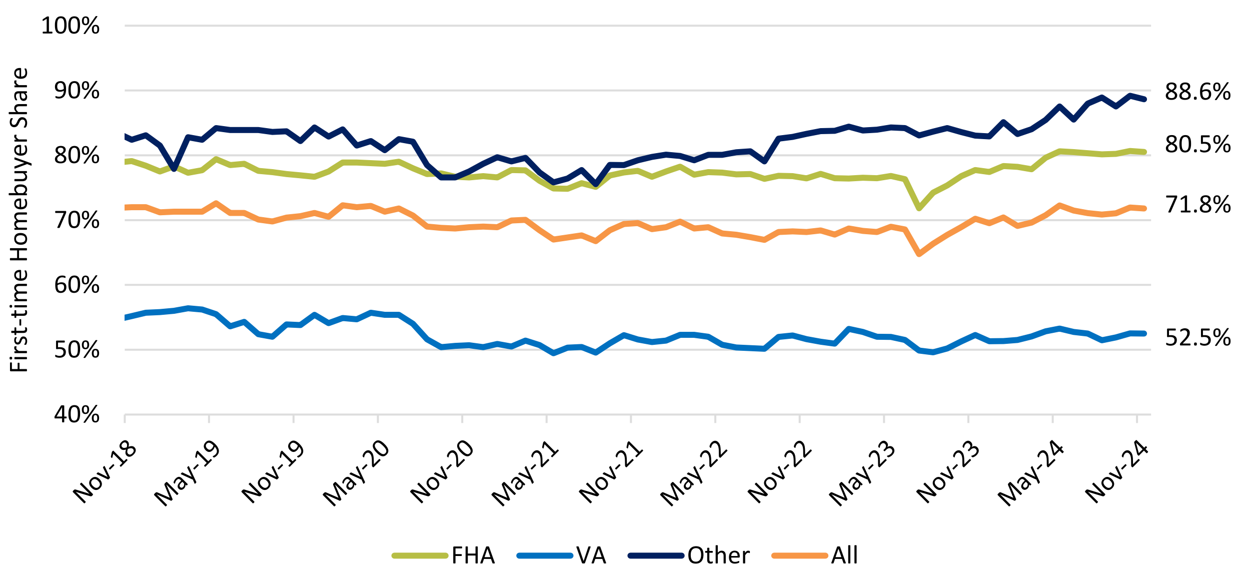


Table 25. Ginnie Mae First-Time Homebuyer Share Breakdown Summary

	FHA		VA		Other		Total	
	First-Time	*Repeat*	*First-Time*	*Repeat*	*First-Time*	*Repeat*	*First-Time*	*Repeat*
Loan Amount $	$322,127	$341,403	$355,200	$428,329	$199,670	$209,812	$324,302	$386,585
Credit Score	690	694	715	743	698	712	696	721
LTV	96.8%	94.0%	98.4%	93.3%	98.4%	98.3%	97.2%	93.7%
DTI	44.7%	46.3%	42.6%	44.2%	35.1%	35.9%	43.8%	45.0%
Loan Rate	5.9%	5.8%	5.8%	5.7%	6.0%	6.0%	5.9%	5.8%

Sources: Fannie Mae, Freddie Mac, and Ginnie Mae disclosure files as of November 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 November 2024 was 742, which represents a 5-point increase from November 2023. Ginnie Mae median FICO scores increased 9 points from 681 in November 2023 to 690 as of month-end November 2024. As of month-end November 2024, median FICO scores for refinances increased for Ginnie Mae, Freddie Mac, and Fannie Mae borrowers by 25, 23, and 15 points YoY, respectively.

Figure 45. FICO Scores for All Loans

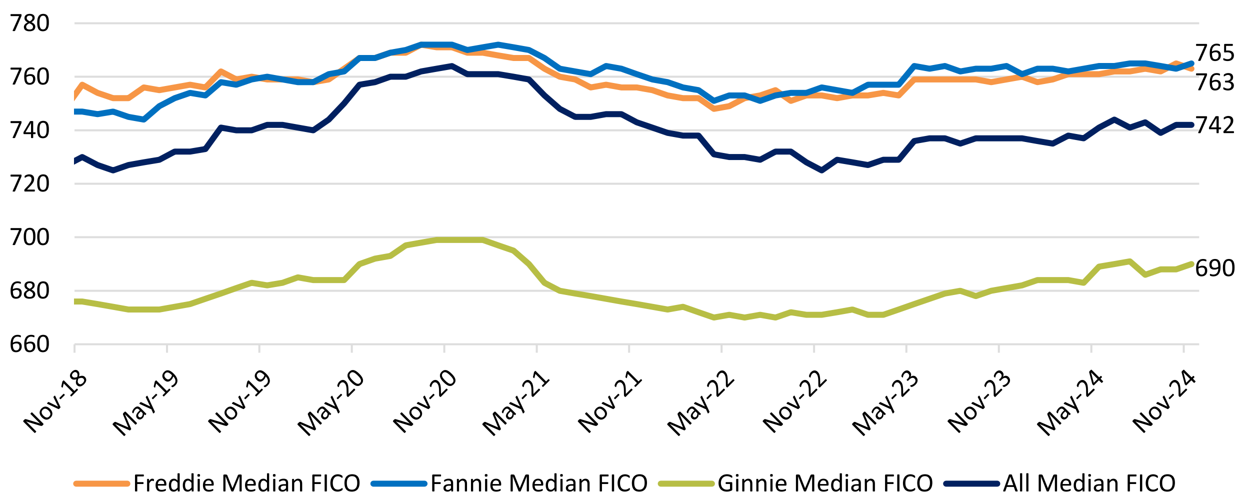


Figure 46. FICO Scores for Purchase Loans

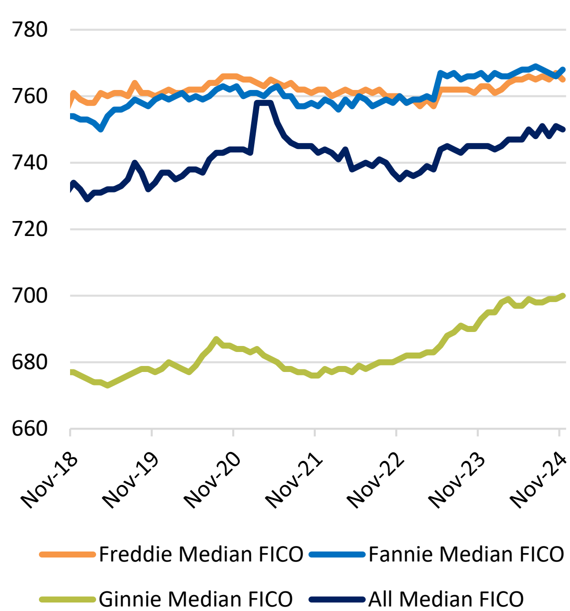
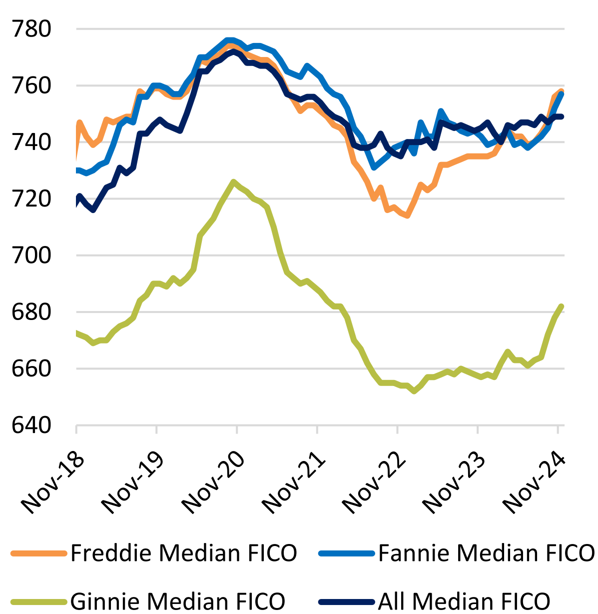


Figure 47. FICO Scores for Refinance Loans



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

In November 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 November 2023 to November 2024. In November 2024, median DTIs for Ginnie Mae, Freddie Mac, and Fannie Mae were 44.8%, 39.0%, and 39.0%, respectively. In November 2023, median DTIs for Ginnie Mae, Freddie Mac, and Fannie Mae were 45.5%, 41.0%, and 39.0%, respectively.

Figure 48. LTV Ratio for All Loans

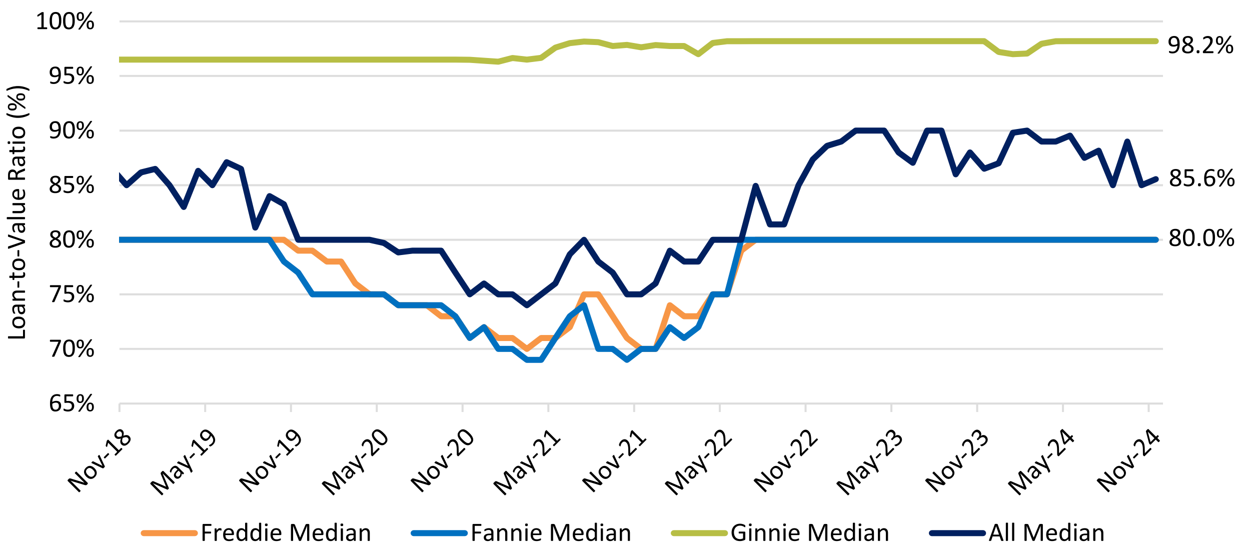
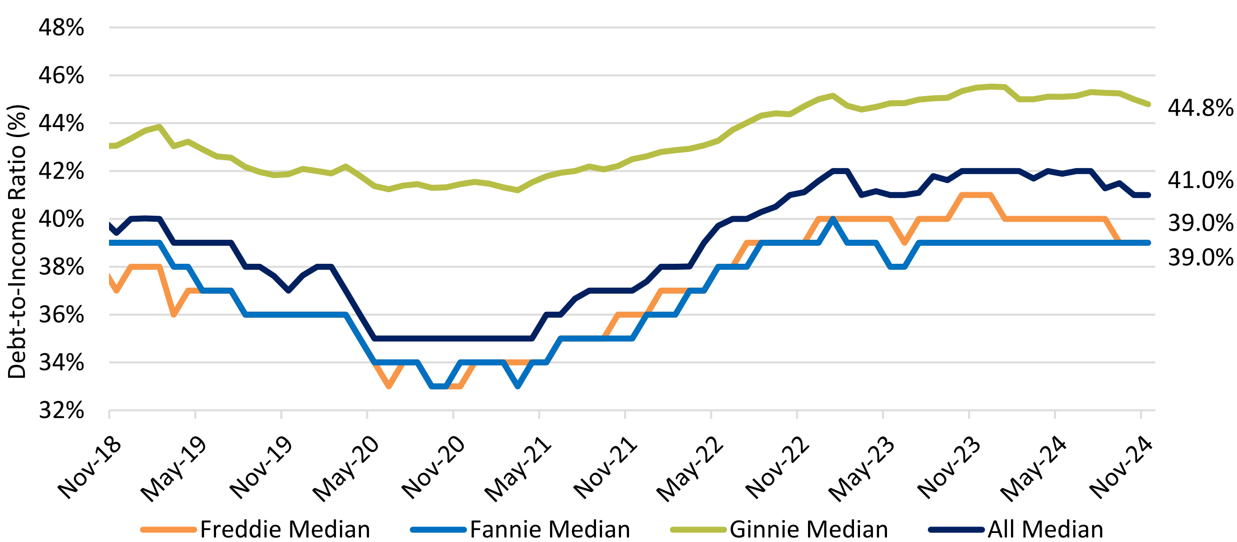


Figure 49. DTI Ratio for All Loans



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

11 FORBEARANCE TRENDS

At the end of November 2024, 80,411 Ginnie Mae loans were in forbearance. The number of loans in forbearance removed from MBS pools in November 2024 was 375 while 80,036 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 26-28. Forbearance Snapshot

All Loans in Forbearance – November 2024						
	FICO Score*	Note Rate (%) *	Current Principal Balance Median	First Time Homebuyer Share (%)	Purchase Share (%)	Loan Count
Ginnie	655	4.6%	$214,275	72.2%	72.7%	80,411
Bank	673	4.6%	$159,963	81.8%	88.8%	8,787
Nonbank	653	4.6%	$221,453	71.1%	71.2%	71,587
FHA	652	4.6%	$203,418	76.8%	77.4%	60,672
Bank	671	4.6%	$157,471	85.4%	89.6%	7,932
Nonbank	650	4.7%	$210,702	75.7%	76.0%	52,707
VA	663	4.4%	$272,935	55.9%	59.2%	17,201
Bank	686	4.5%	$242,201	55.4%	82.0%	650
Nonbank	662	4.4%	$274,024	55.9%	58.3%	16,548

Loans in Forbearance and Removed from Pools – November 2024						
	FICO Score*	Note Rate (%) *	Current Principal Balance Median	First Time Homebuyer Share (%)	Purchase Share (%)	Loan Count
Ginnie	650	5.2%	$216,951	68.5%	69.7%	375
Bank	669	5.6%	$111,738	83.0%	100.0%	33
Nonbank	649	5.1%	$220,056	68.3%	68.6%	341
FHA	643	5.4%	$208,793	73.8%	76.7%	300
Bank	671	5.7%	$111,738	83.0%	100.0%	29
Nonbank	642	5.4%	$213,814	73.3%	75.7%	271
VA	672	4.4%	$298,134	45.6%	50.6%	71
Bank	736	4.8%	$162,827	N/A	100.0%	2
Nonbank	670	4.4%	$301,159	47.2%	49.3%	68

Loans in Forbearance that Remain in Pools – November 2024						
	FICO Score*	Note Rate (%) *	Current Principal Balance Median	First Time Homebuyer Share (%)	Purchase Share (%)	Loan Count
Ginnie	655	4.6%	$214,264	72.2%	72.7%	80,036
Bank	673	4.6%	$160,177	81.8%	88.8%	8,754
Nonbank	653	4.6%	$221,504	71.1%	71.2%	71,246
FHA	652	4.6%	$203,387	76.8%	77.4%	60,372
Bank	671	4.6%	$157,560	85.4%	89.6%	7,903
Nonbank	650	4.7%	$210,674	75.7%	76.0%	52,436
VA	663	4.4%	$272,857	56.0%	59.2%	17,130
Bank	686	4.5%	$243,505	55.4%	82.0%	648
Nonbank	662	4.4%	$273,967	56.0%	58.3%	16,480

*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 November 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 29.** The top 30 firms collectively own 89.29% of Ginnie Mae MSRs (see Cumulative Share). Twenty-three of these top 30 are non-depository institutions, the remaining seven are depository institutions. As of November 2024, over half (52.51%) of the Ginnie Mae MSRs are owned by the top five firms.

Table 29. 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	↔	$373,405,872,491	15.1%	15.12%	9.55%	1.24%
DBA Freedom Mortgage	2	2	↔	$366,264,344,247	14.8%	29.96%	10.40%	0.75%
PennyMac Loan Service	3	3	↔	$289,925,164,632	11.7%	41.70%	10.34%	2.08%
Newrez LLC	4	5	↑	$135,512,425,289	5.5%	47.19%	9.47%	1.17%
Mr. Cooper (Nationstar)	5	4	↓	$131,340,886,483	5.3%	52.51%	8.32%	1.89%
Carrington Mortgage	6	6	↔	$122,573,937,791	5.0%	57.48%	7.29%	1.45%
Rocket Mortgage	7	7	↔	$116,045,874,452	4.7%	62.18%	9.66%	0.27%
Wells Fargo Bank	8	8	↔	$89,644,407,672	3.6%	65.81%	6.14%	0.56%
Planet Home Lending	9	9	↔	$74,544,743,351	3.0%	68.83%	10.34%	0.59%
U.S. Bank	10	10	↔	$57,346,991,137	2.3%	71.15%	6.08%	0.75%
United Wholesale Mortgage	11	11	↔	$46,212,706,796	1.9%	73.02%	5.09%	1.05%
LoanDepot	12	12	↔	$39,215,334,127	1.6%	74.61%	10.20%	1.48%
Mortgage Research Center	13	14	↑	$33,773,559,305	1.4%	75.98%	24.32%	2.00%
Navy Federal Credit Union	14	13	↓	$33,348,959,660	1.4%	77.33%	8.69%	0.31%
Guild Mortgage Company	15	16	↑	$25,963,116,985	1.1%	78.38%	7.39%	0.67%
M&T Bank	16	15	↓	$25,517,244,820	1.0%	79.41%	5.04%	0.42%
CrossCountry Mortgage	17	18	↑	$25,388,786,010	1.0%	80.44%	11.80%	2.76%
CMG Mortgage	18	22	↑	$22,709,262,990	0.9%	81.36%	7.76%	1.72%
The Money Source	19	17	↓	$22,477,003,772	0.9%	82.27%	8.37%	1.88%
New American Funding	20	21	↑	$21,957,579,955	0.9%	83.16%	9.78%	2.23%
Village Capital & Investment	21	28	↑	$21,606,767,260	0.9%	84.04%	24.53%	4.43%
Idaho Housing and Finance	22	25	↑	$19,907,473,745	0.8%	84.84%	4.78%	0.93%
Truist Bank	23	20	↓	$19,725,011,223	0.8%	85.64%	8.17%	1.94%
PHH Mortgage Corporation	24	24	↔	$19,068,673,275	0.8%	86.42%	8.17%	1.94%
Citizens Bank	25	27	↑	$13,420,317,133	0.5%	86.96%	5.94%	0.30%
AmeriHome Mortgage	26	23	↓	$13,299,964,639	0.5%	87.50%	12.25%	1.53%
Movement Mortgage	27	19	↓	$12,228,857,674	0.5%	87.99%	8.84%	0.44%
Sun West Mortgage	28	30	↓	$10,787,835,743	0.4%	88.43%	6.49%	0.51%
Data Mortgage, Inc.	29	NR	↑	$10,648,698,948	0.4%	88.86%	7.92%	1.96%
MidFirst Bank	30	29	↓	$10,537,248,316	0.4%	89.29%	7.50%	2.29%

Sources: Ginnie Mae, Recursion. Notes: Data as of November 2024.

13 AGENCY NONBANK ORIGINATORS

Total Agency nonbank origination shares increased as of month-end November 2024 by approximately 1.3% MoM. The increase in nonbank origination share was driven by increases in Fannie Mae, up 3.2% MoM and Freddie Mac up 1.5% MoM, while Ginnie Mae went down 0.4% MoM. The Ginnie Mae nonbank share decreased to 94.1% as of November 2024 and has remained consistently higher than the GSEs.

Figure 50. Agency Nonbank Origination Share (All, Purchase, Refi)

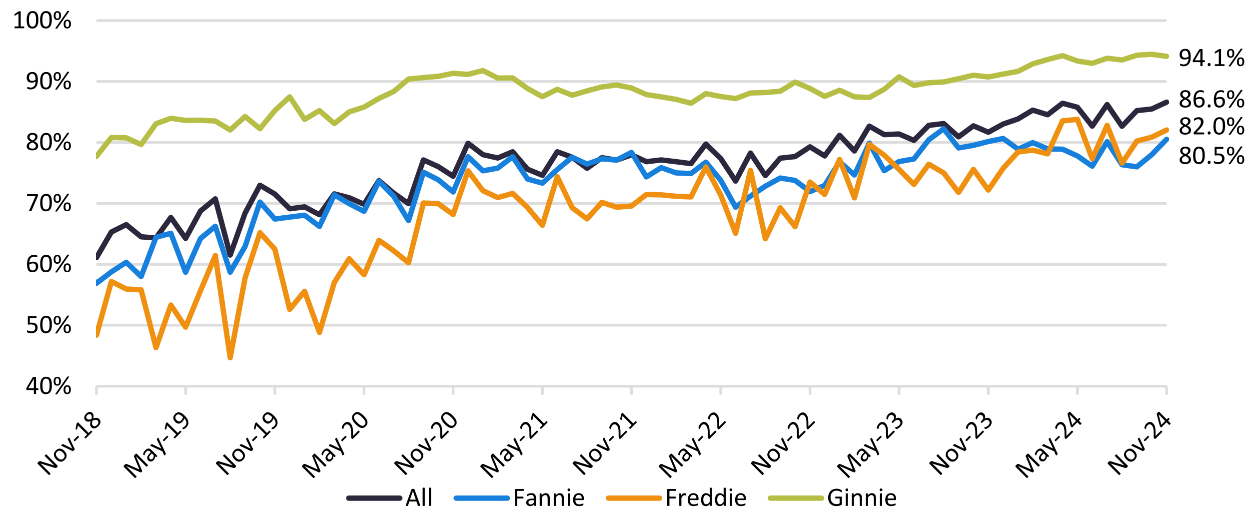


Figure 51. Nonbank Origination Share:

Purchase Loans

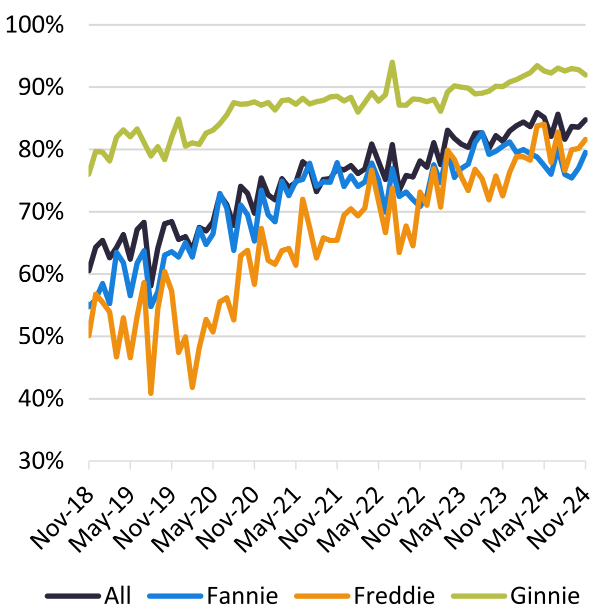
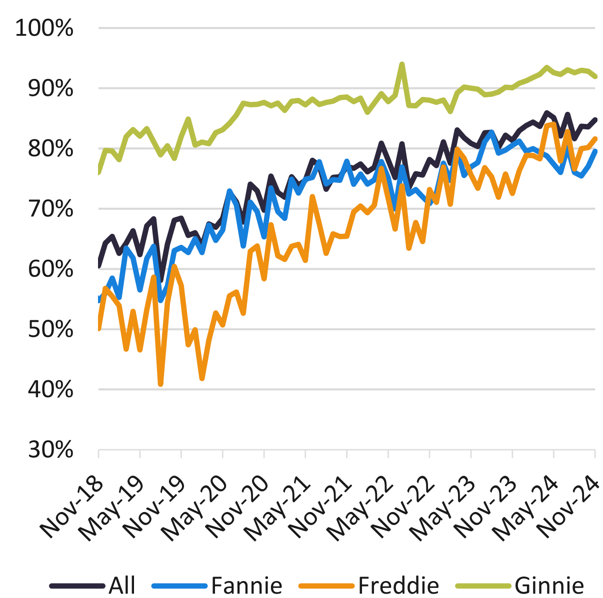


Figure 523. Nonbank Origination Share:

Refi Loans



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

Ginnie Mae's total nonbank originator share remained relatively stable as of month-end November 2024. Ginnie Mae continues to have a high proportion of nonbank originations, with a rate of 94.1% in November 2024. The percentage of Ginnie Mae's "Other" nonbank refinanced loans decreased to 91.4% in November 2024.

Figure 53. Ginnie Mae Nonbank Origination Share by Product (All, Purchase, Refi)

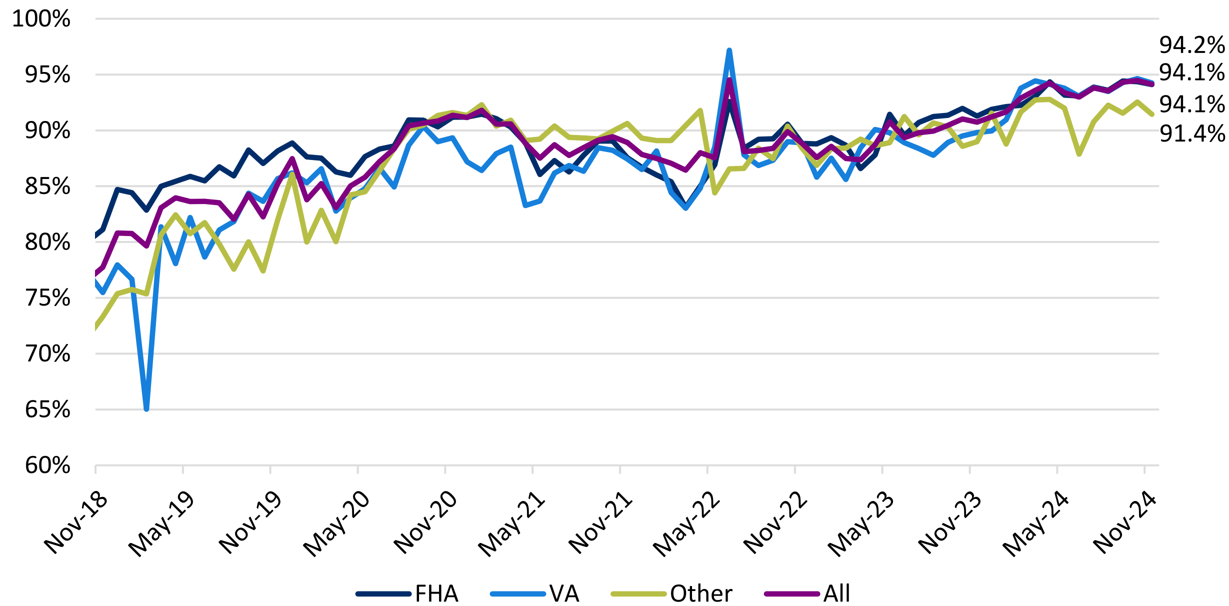


Figure 54. Ginnie Mae Nonbank Share: Purchase Loans

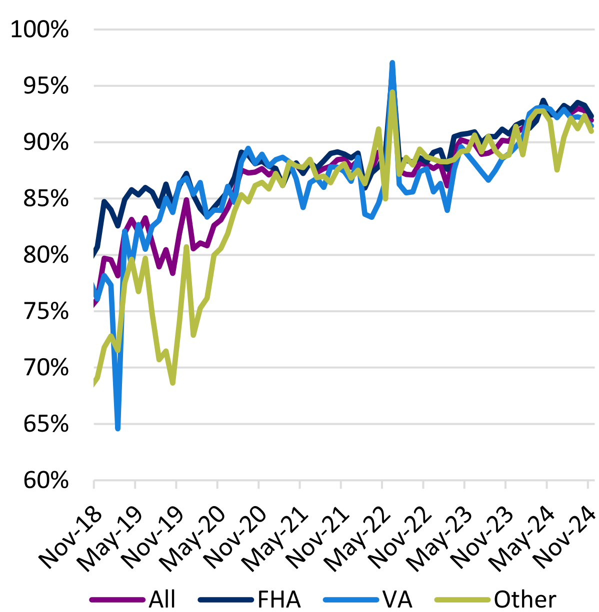
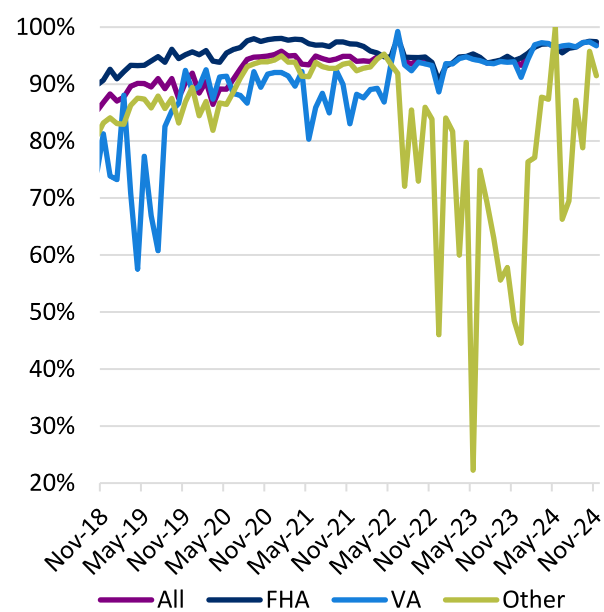


Figure 55. Ginnie Mae Nonbank Share: Refi Loans



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

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

14.1 (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 decreased 2 points from 21 to 19 points from October 2024 to November 2024. The Agency median FICO score remained at 742 in November 2024.

Figure 56. Agency FICO: Bank vs. Nonbank

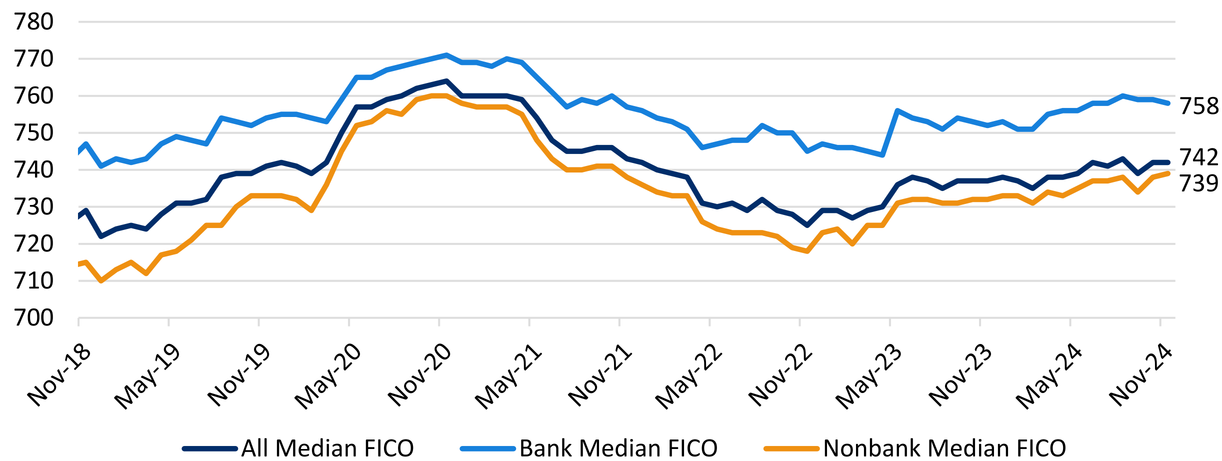


Figure 57. GSE FICO: Bank vs. Nonbank

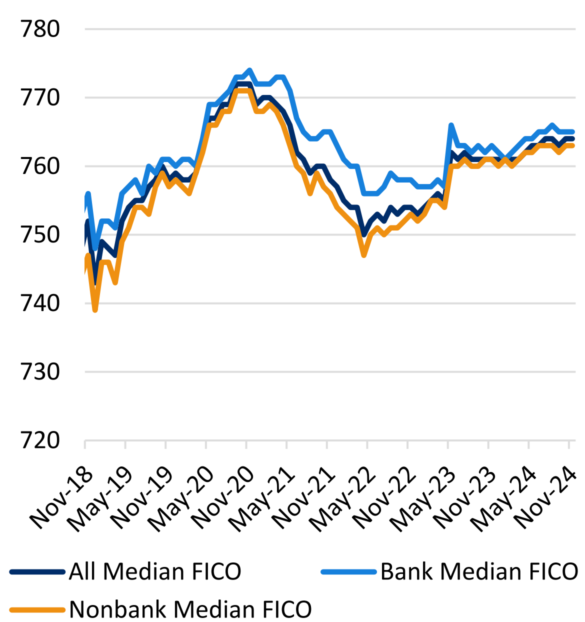
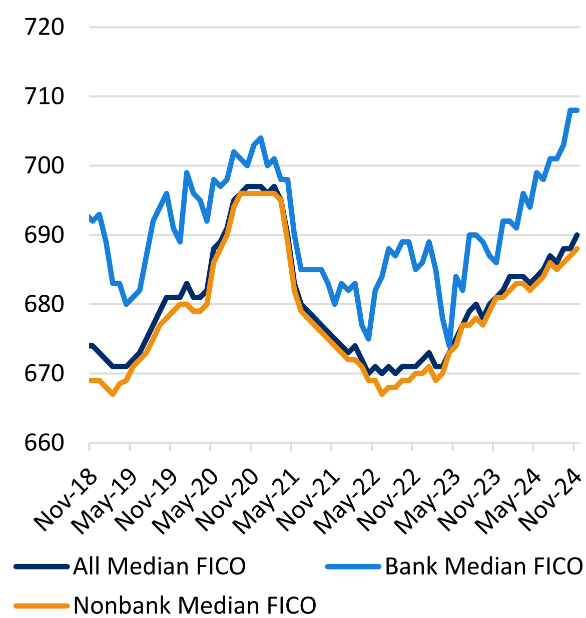


Figure 58. Ginnie Mae FICO: Bank vs. Nonbanks



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

The median LTV for all GSE originators remained the same as of month-end November 2024 at 80.0%. Ginnie Mae's median bank and nonbank LTV remained flat at 98.2% as of month-end November 2024. Ginnie Mae's median DTI decreased to 45.0% in November 2024 in nonbank originations.

Figure 59. GSE LTV: Bank vs. Nonbank

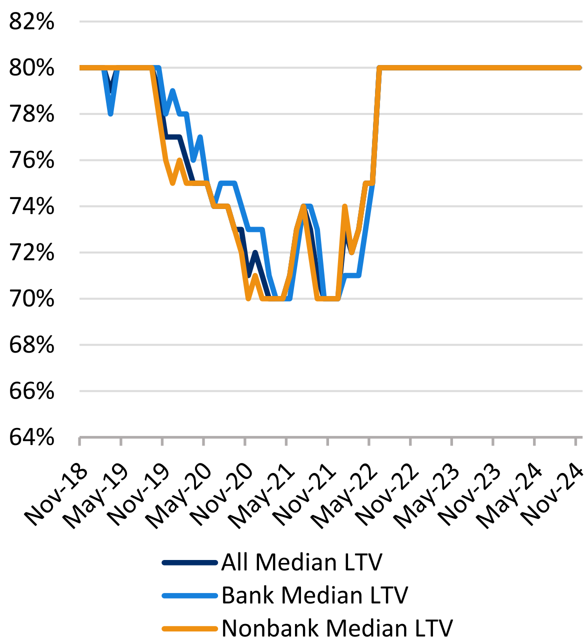


Figure 60. Ginnie Mae LTV: Bank vs. Nonbank

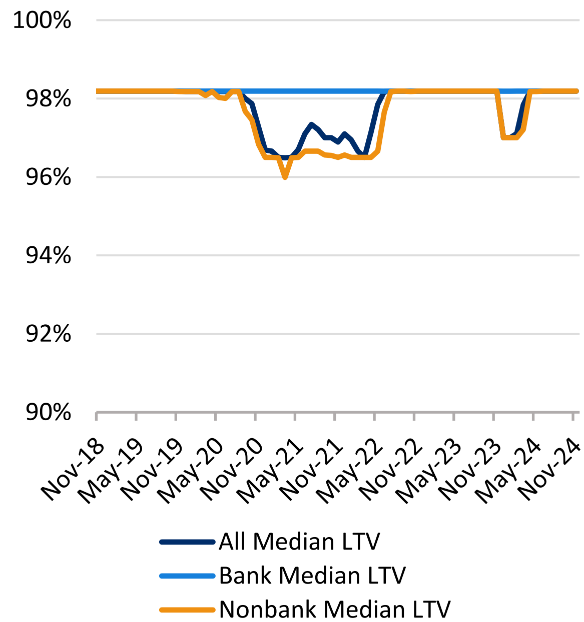


Figure 61. GSE DTI: Bank vs. Nonbank

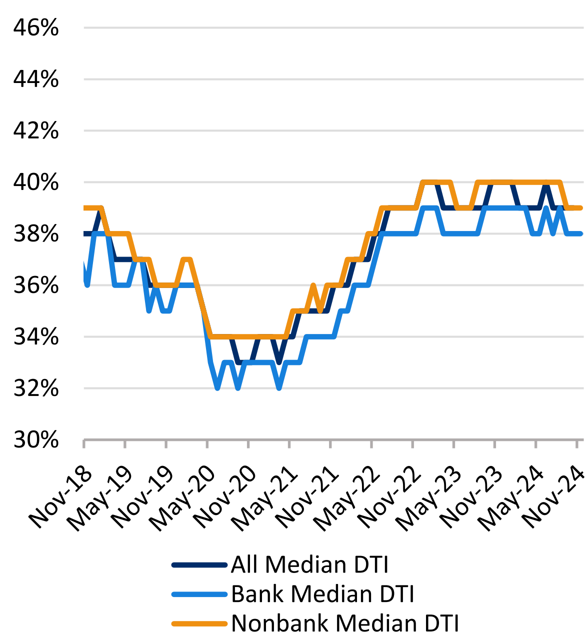
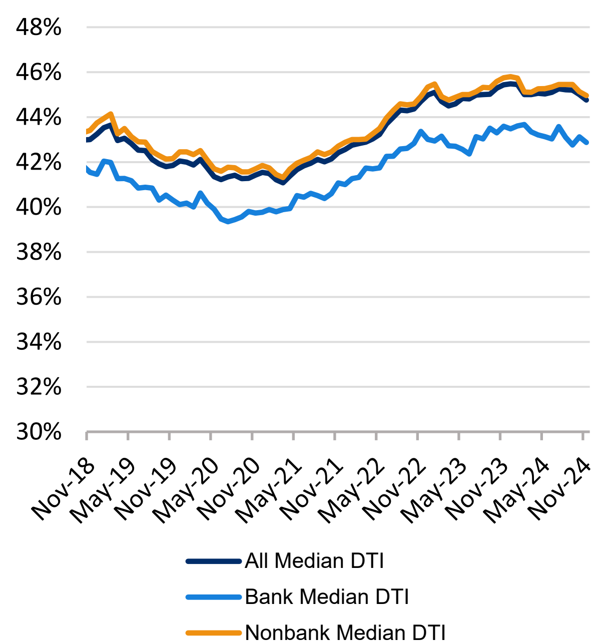


Figure 62. Ginnie Mae DTI: Bank vs. Nonbank



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

As of month-end November 2024, the median FICO score for Ginnie Mae bank originations remained at 708 points MtM and nonbank increased 1 point MtM to 688 points. The median FICO score for all Ginnie originations increased 2 points to 690 points MtM. The gap between banks and nonbanks is most apparent in "VA" lending (31-point spread).

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

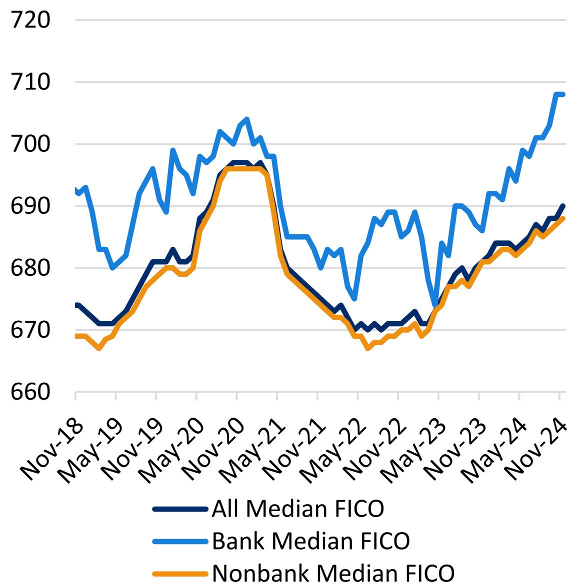


Figure 64. Ginnie Mae FHA FICO Score: Bank vs. Nonbank

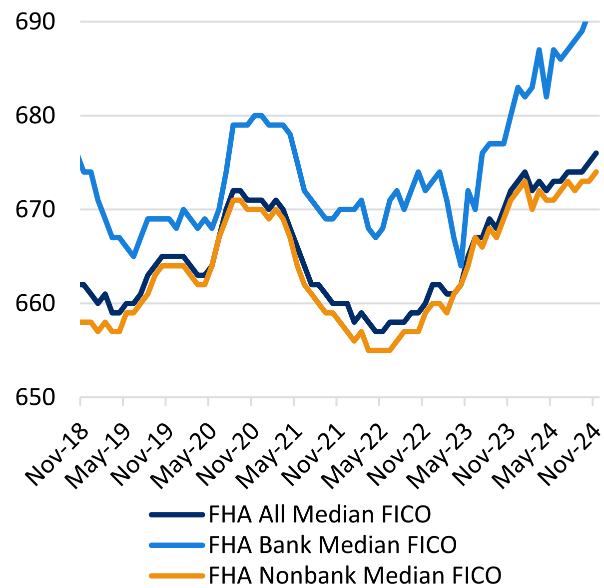


Figure 65. Ginnie Mae VA FICO Score: Bank vs. Nonbank

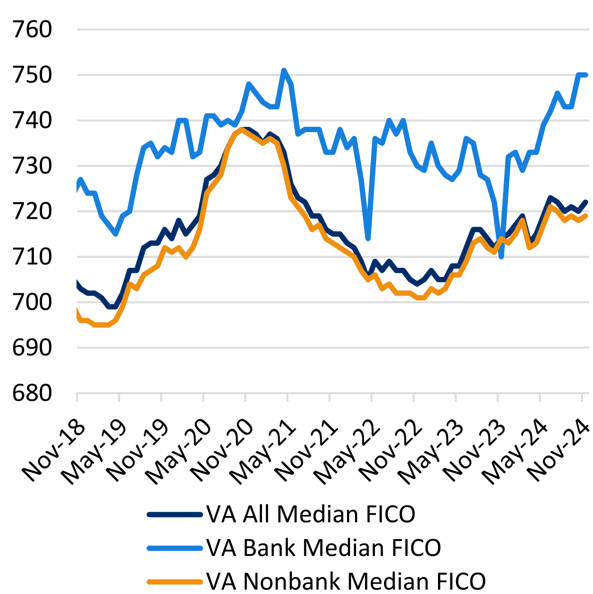
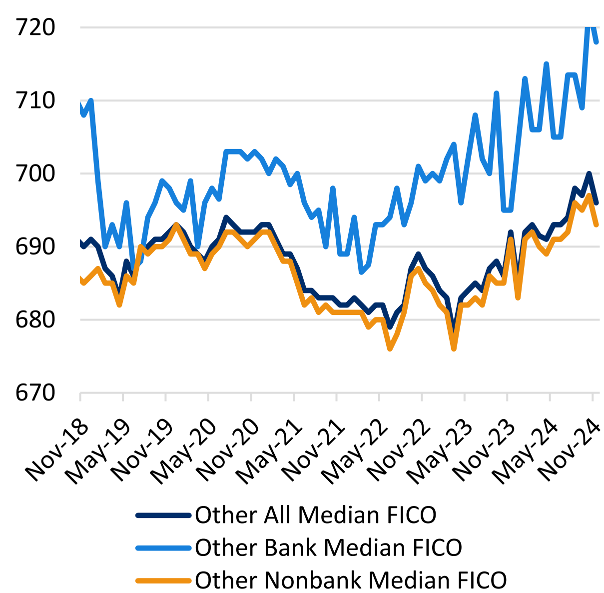


Figure 66. Ginnie Mae Other FICO Score: Bank vs. Nonbank



Source: Recursion. Notes: Data as of November 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 67. Ginnie Mae DTI: Bank vs. Nonbank

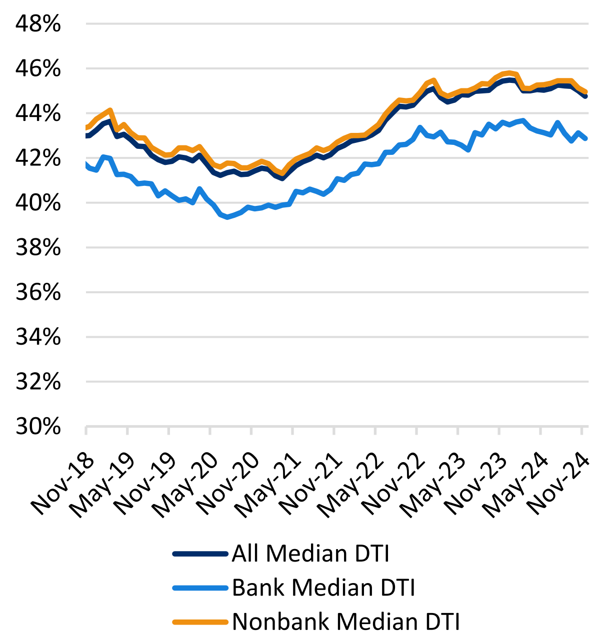


Figure 68. Ginnie Mae FHA DTI: Bank vs. Nonbank

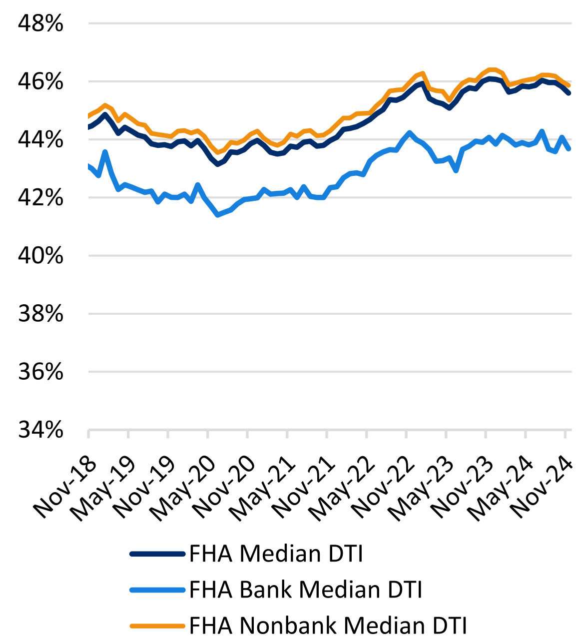


Figure 69. VA DTI: Bank vs. Nonbank

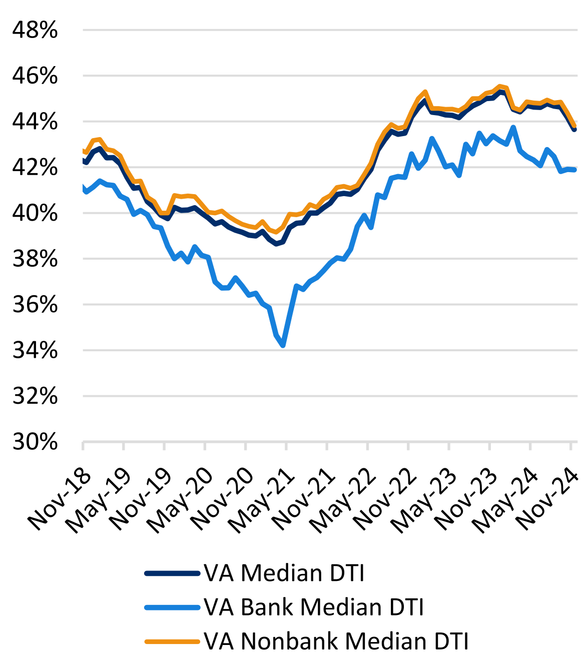
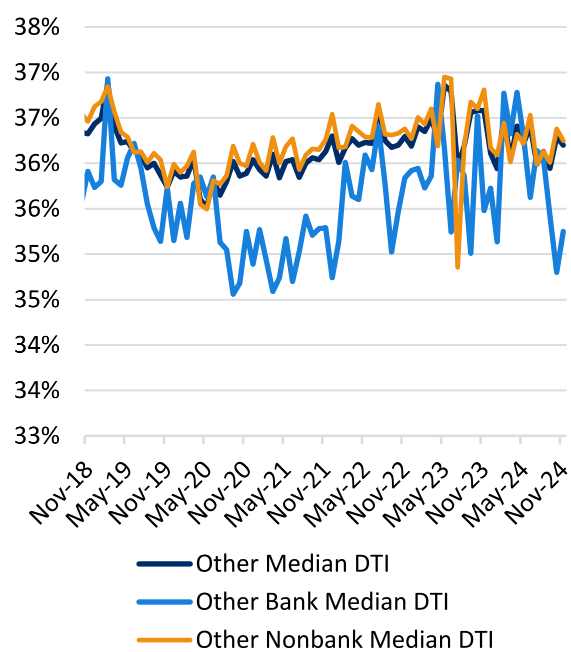


Figure 70. Other DTI: Bank vs. Nonbank



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

15 SOCIAL IMPACT AND SUSTAINABILITY

Ginnie Mae MBS 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 enhance social and sustainability 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
August 2024	LMIB Disclosure charts added to Social Impact and Sustainability.

15.1 Social Impact and Sustainability: 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 30. Social Impact and Sustainability Metrics – MBS Portfolio (November 2024)

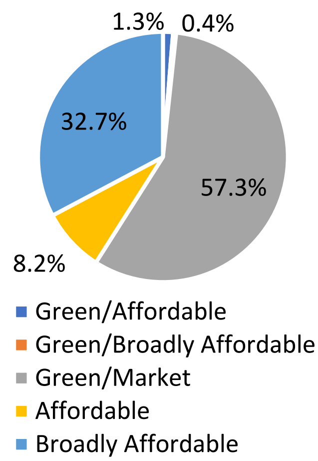
Ginnie Mae Impact MBS Metrics – Guaranteed Portfolio as of November 2024				
	Targeted Population	**Positive Outcomes**	**Our Commitment**	
Social - Affordable	**FHA Borrowers – 7,174,691** **VA Borrowers – 3,687,334** **RHS Borrowers – 769,358** **PIH Borrowers – 23,864**	**Loans under $200K** 6,475,550 Loans **First-Time Home Buyers** 4,521,495 Loans **Down Payment Assistance** 705,058 Loans **Rural** Single Family – 1,764,337 Loans HECM – 1,491,115 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
Social - Affordable	**Low-to-Moderate Income Borrowers (LMI)**	3,300,653 Loans		Single Family
Social - Affordable	**LMI Majority Census Tract Loans**	1,781,534 Loans		Single Family
Social - Affordable	**Borrowers Facing Difficulties**	784,941 modifications with over 818,217 in partial claims	Ginnie Mae has been integral to the federal actions to prevent foreclosure for homeowners experiencing financial hardship.	Single Family
Social - Affordable	**Senior Citizens Aging in Place**	265,663 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
Social - Affordable	**Multifamily Housing (MF)**	1.326 million apartment homes 497,157 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
Social - Affordable	**MF Affordable**	5,116 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.	Multi-Family
Green	**MF Green**			Multi-Family

15.2 Sustainability

Table 31. UPB Status – Multifamily Portfolio

Status	UPB	%
Green/Affordable	$1,118,330,176	0.7%
Green/Broadly Affordable	$352,490,339	0.2%
Green/Market	$49,498,024,983	32.0%
Green Total	$50,968,845,498	32.9%
Affordable[8]	$7,110,445,296	4.6%
Broadly Affordable[9]	$28,279,063,750	18.3%
Affordable Total	$36,860,329,561	23.8%
Social & Sustainability Total[9]	$86,358,354,544	55.8%
Grand Total	$154,723,756,901	100.0%

Figure 71. Composition of Ginnie Mae Green Status and Affordable Multifamily Collateral



Much of Ginnie Mae's environmental impact is made through its Multifamily programs. Around 33.0% 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 23.9% of Ginnie Mae Multifamily collateral is "Affordable" or "Broadly Affordable". In total 55.8% of Ginnie Mae's Multifamily collateral is considered Social and Sustainable.

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 November 2024, https://www.hud.gov/program_offices/housing/mfh/green

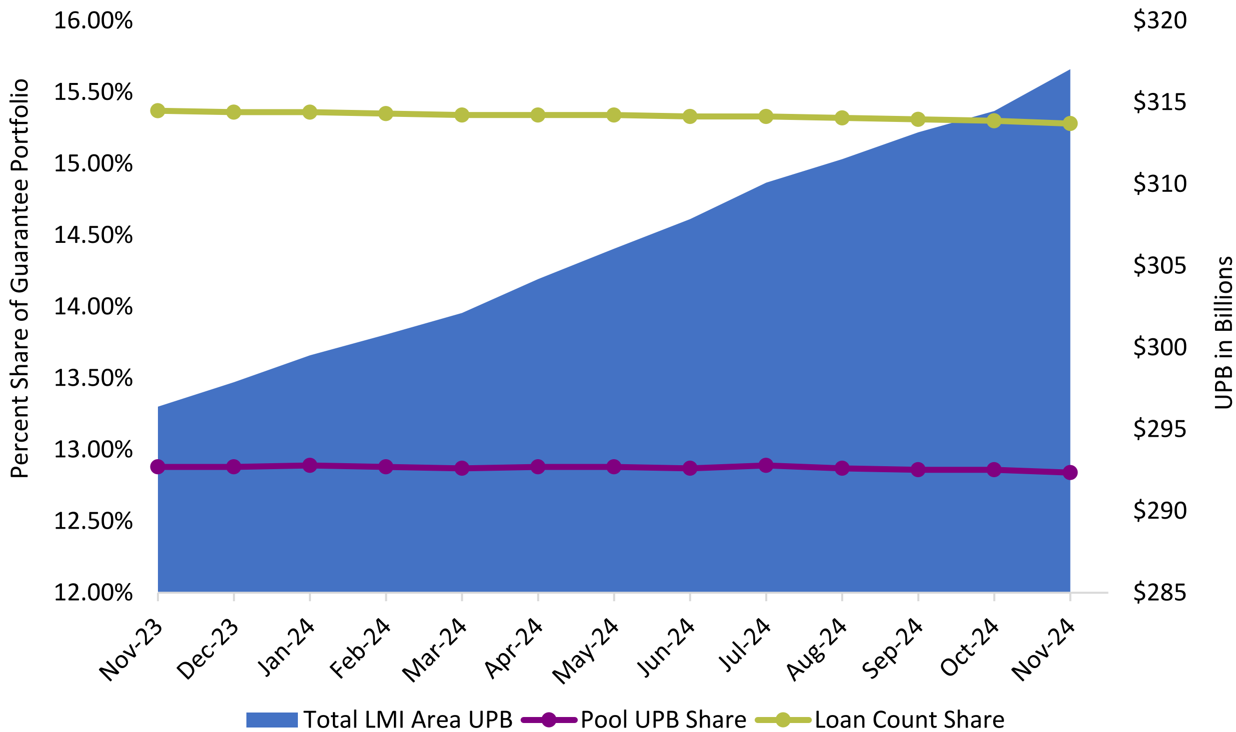
[8] *"Affordable" and "Broadly Affordable" removes "Green/Affordable" and "Green/Broadly Affordable" from the UPB total. Affordable total includes both Green and Not Green.*

[9] *Social & Sustainable Total includes Green/Market & Affordable Total.*

15.3.1 Low-to-Moderate Income Borrowers

Roughly $317 billion of Ginnie Mae Single-Family collateral and over 1.78 million loans outstanding have been issued to LMI borrowers. Total Pool UPB increased by approximately $21 billion YoY.

Figure 72. Social Impact and Sustainability Share of the Outstanding SF Portfolio



Source: Ginnie Mae Disclosures as of November 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 32. Percent LMI by Pool Share

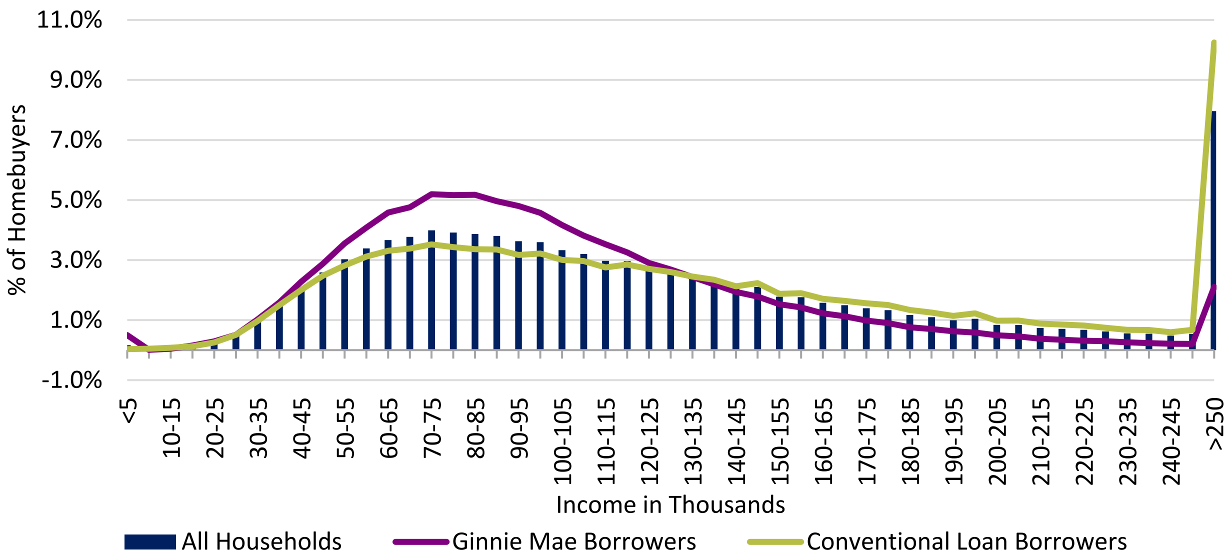
Metric	LMI Share < 20%	LMI Pool Share 20% - 50%	LMI Pool Share >50%	All Pools
Total UPB ($ billions)	$2,184.5	$215.9	$9.3	$2,409.7
Average Original Loan Size	$350,648.3	$204,425.3	$191,969.2	$336,933.8
Credit Score (Median)	680	675	674	677
DTI (Median)	41%	41%	41%	41%
LTV (Median)	95%	96%	97%	96%
Interest Rate (WA)	4.19%	4.89%	5.01%	4.25%

Source: Ginnie Mae Disclosures as of November 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 73. 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 Q3 2024. The East North Central and New England regions both saw the largest quarterly appreciation in the home price index (HPI) of 1.56% each from Q2 to Q3 2024. The South Atlantic and West South Central regions saw QoQ decreases in HPI of around 0.02% and 0.04%, respectively. The East North Central region has appreciated more than any other region over the past year, increasing 6.77% from Q3 2023 to Q3 2024. The United States collectively saw a 4.34% increase of YoY HPI from 2023 Q3 to 2024 Q3; down from a 5.88% increase of YoY HPI in Q2 2023.

Figure 74. Regional HPI Trend Analysis QoQ

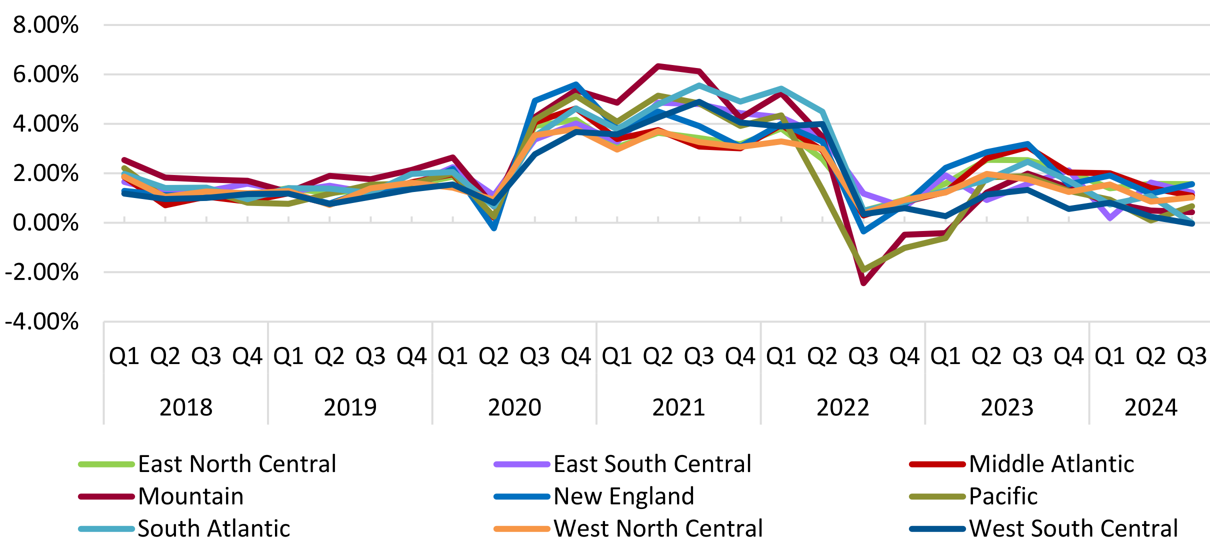
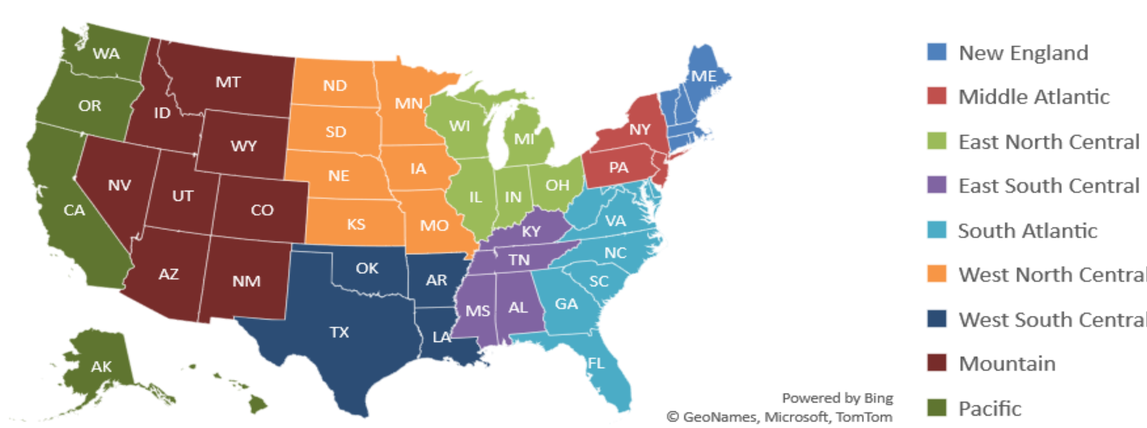


Figure 75. FHFA U.S. Census Subregions as defined by the U.S. Census Bureau



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 November 2024, YoY CPI inflation was 2.7%, increasing from 2.6% in the month prior. Nationally, rents are down 0.7% YoY as of month-end November 2024 while the MoM change in median rents decreased by 0.9%. YoY change in wage growth in November increased 4.3%, following a 4.6% YoY increase in the month prior. Month-end September 2024 adjusted reporting data shows home price appreciation increased 4.0% YoY.

Figure 76. Inflation | 12-Month Percent Change in CPI

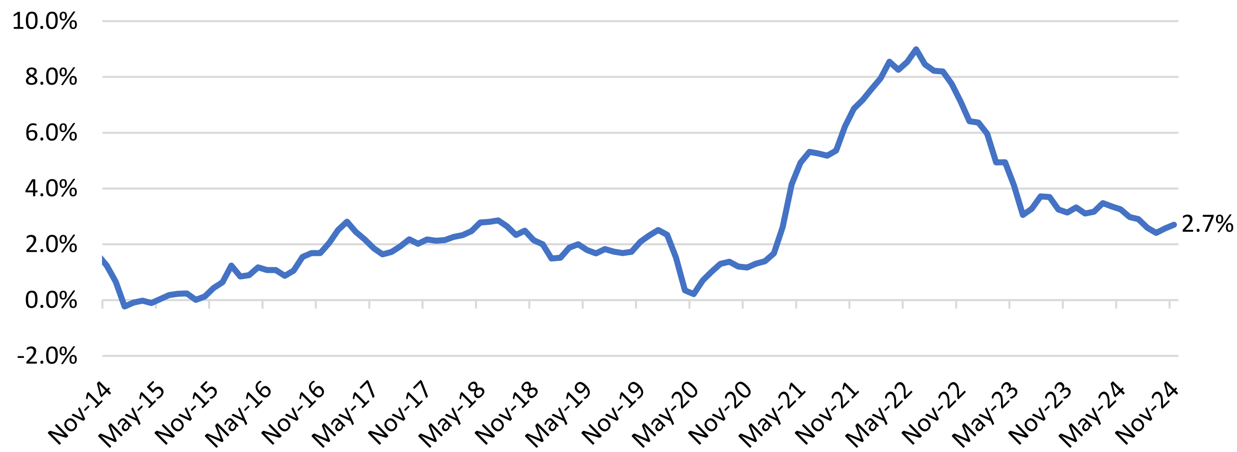
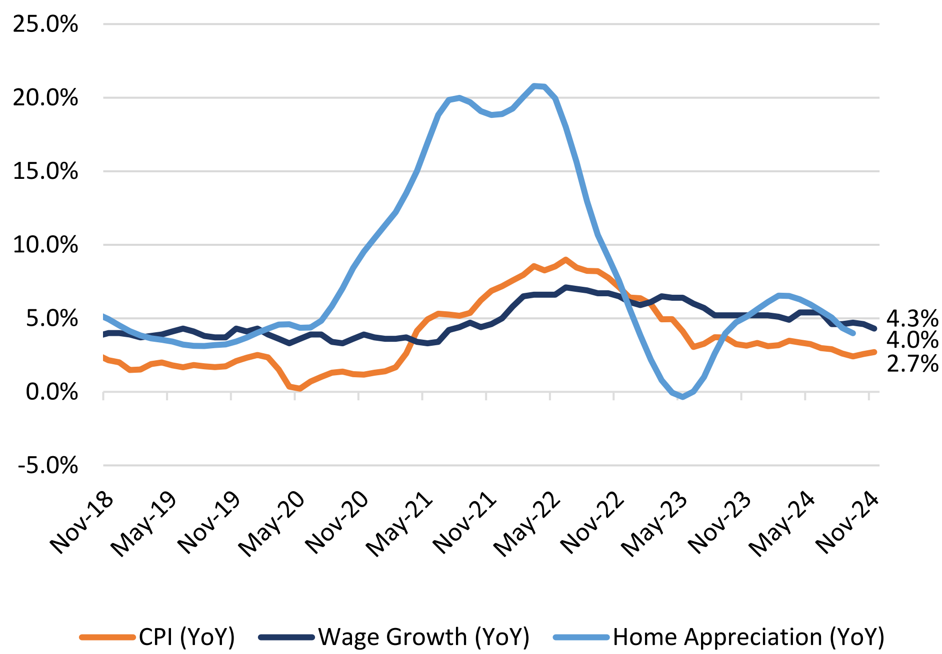


Figure 77. Asset Price Appreciation vs. Wage Increases



Metric	*Statistic*
CPI (YoY)	*2.7%*
Home Price Appreciation *(YoY)*	*4.0%*
Rental Price Appreciation *(Median Rent Change YoY)*	*-0.7%*
Wage Growth (YoY)	*4.3%*

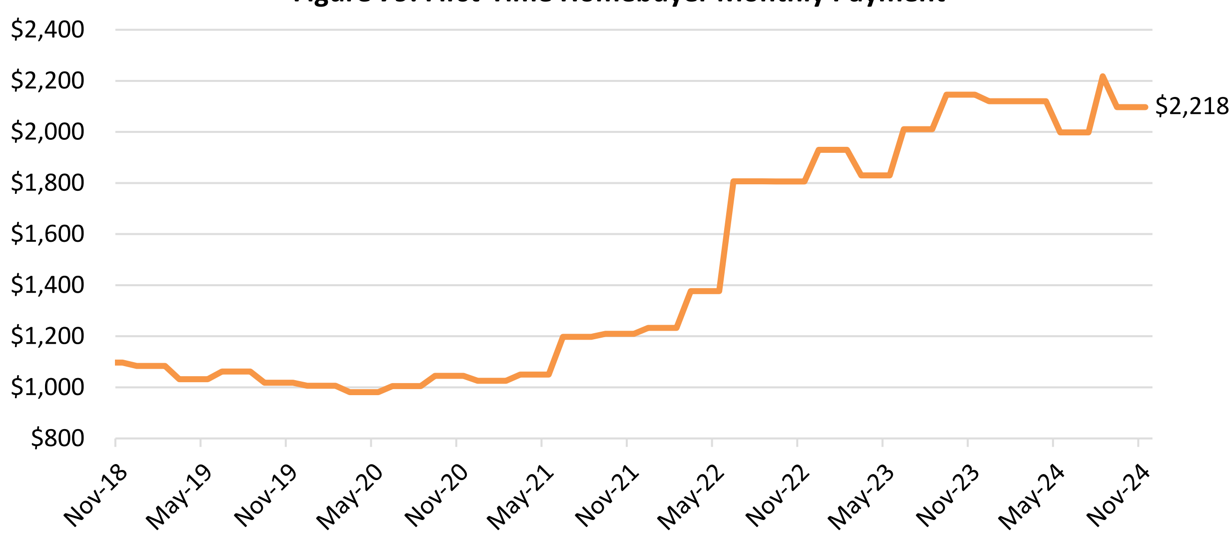
Sources: Bureau of Labor Statistics – Consumer Price Index; Federal Reserve Bank of Atlanta, Research and Data - Wage-Growth Data (currently undergoing maintenance); Redfin.com - Rental Price Appreciation; S&P/Case-Schiller U.S. National Home Price Index – Home Price Appreciation.

16.2.1 Housing Affordability – Affordability Index

As of month-end November 2024, the Homebuyer Affordability Fixed Mortgage Index (HAFM) was 105.5 and the First-Time Homebuyer Monthly Payment (FTMP), which represents the median payment for first-time homebuyers, was $2,218. The HAFM Index increased 12.00% YoY and monthly payments for first-time homebuyers decreased approximately 2.28% YoY. HAFM has decreased 43.8% and FTMP has increased 104.4% since January 2021.

Figure 78. Homebuyer Affordability Fixed Mortgage Index

Figure 79. First-Time Homebuyer Monthly Payment



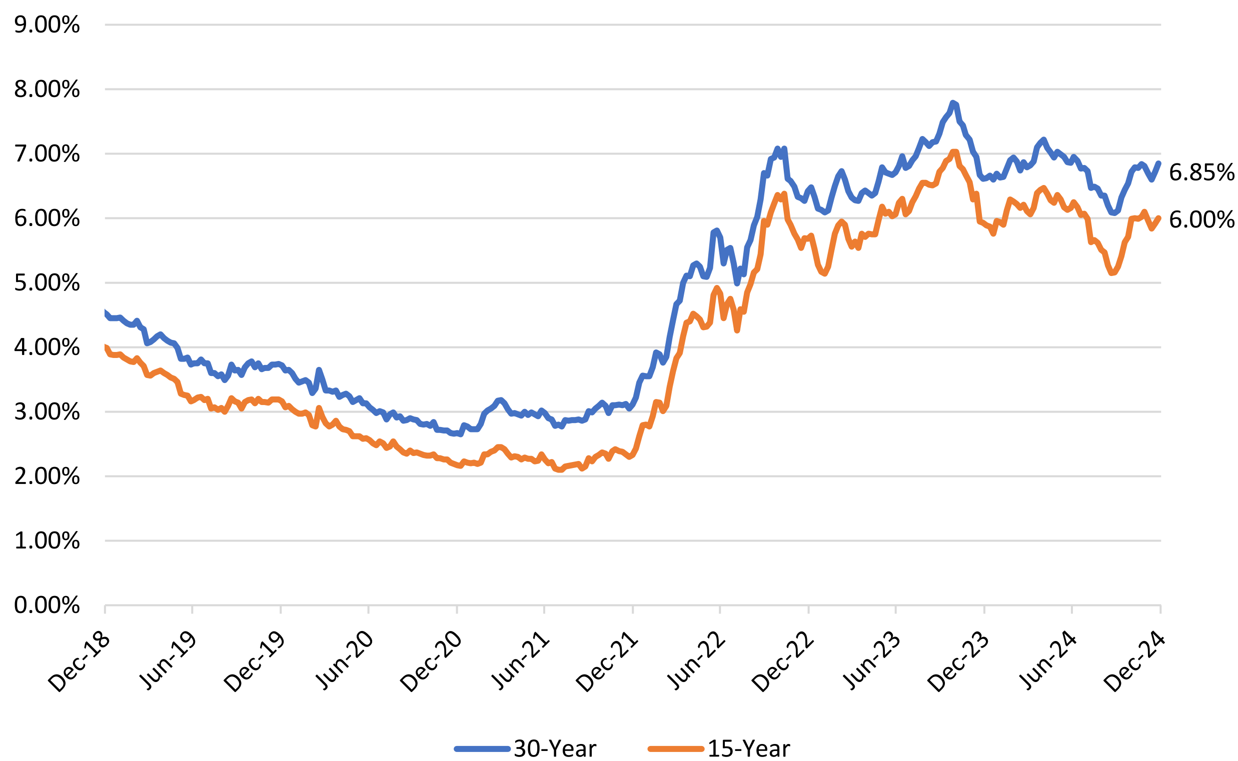
Source: Bloomberg as of November 2024.

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 Fed lowered the Federal Funds target rate on December 18, 2024, to a range of 4.25% and 4.50% per the FOMC[10]. Despite this adjustment in short-term rates, long-term fixed mortgage rates showed mixed movements. As of December 26, 2024, the average 30-year and 15-year fixed rate mortgage rates were 6.85% and 6.00%, respectively. The average 30-year fixed rate mortgage rate increased 4 bps and the average 15-year fixed rate mortgage rate decreased 10 bps from November 27, 2024.

Figure 80. Average Fixed Rate Mortgage Rates



Source: FRED data as of December 2024

[10] FOMC Statement - Dec 2024

16.3 Housing Inventory

As of November 2024, there were 8.9 months of new housing inventory on the market, decreasing 6.3% MoM from an adjusted 9.5 months in October 2024. **Figures 82 and 83** show Single-Family and Multifamily annualized housing metrics, including the number of permits, starts, and completions. From November 2023 to November 2024, the number of Single-Family completions rose approximately 4.2% while the number of starts rose 3.8% and permits declined 1.3%. Multifamily metrics show that from November 2023 to November 2024, the number of completions rose 56.2%, while the number of starts and permits decreased 11.1% and 16.2%, respectively.

Figure 81. Single-Family Housing Inventory

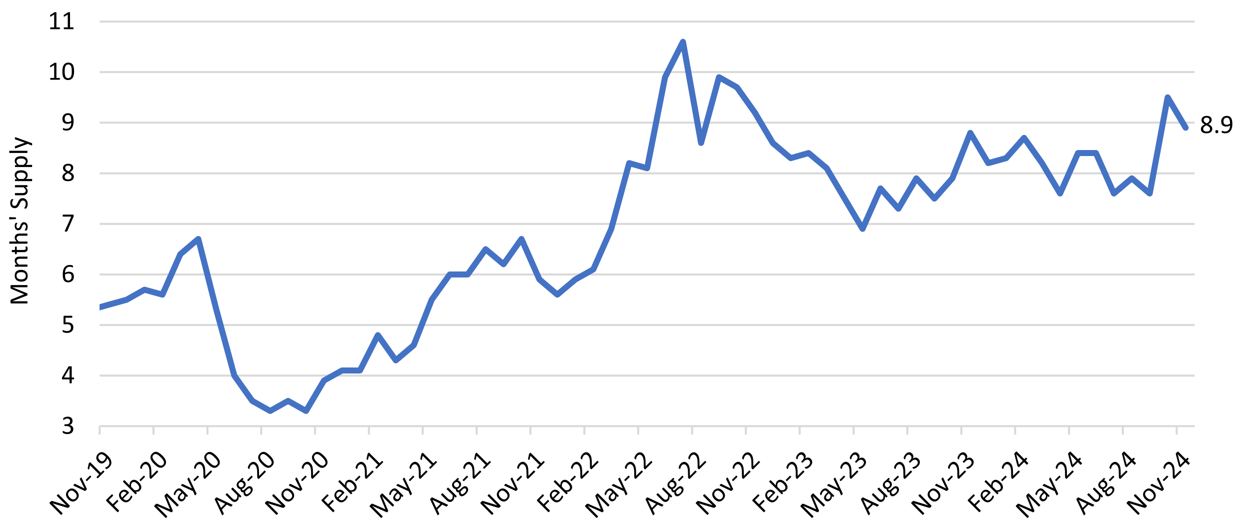


Figure 82. Single-Family Construction Metrics: Permits, Starts, Completions

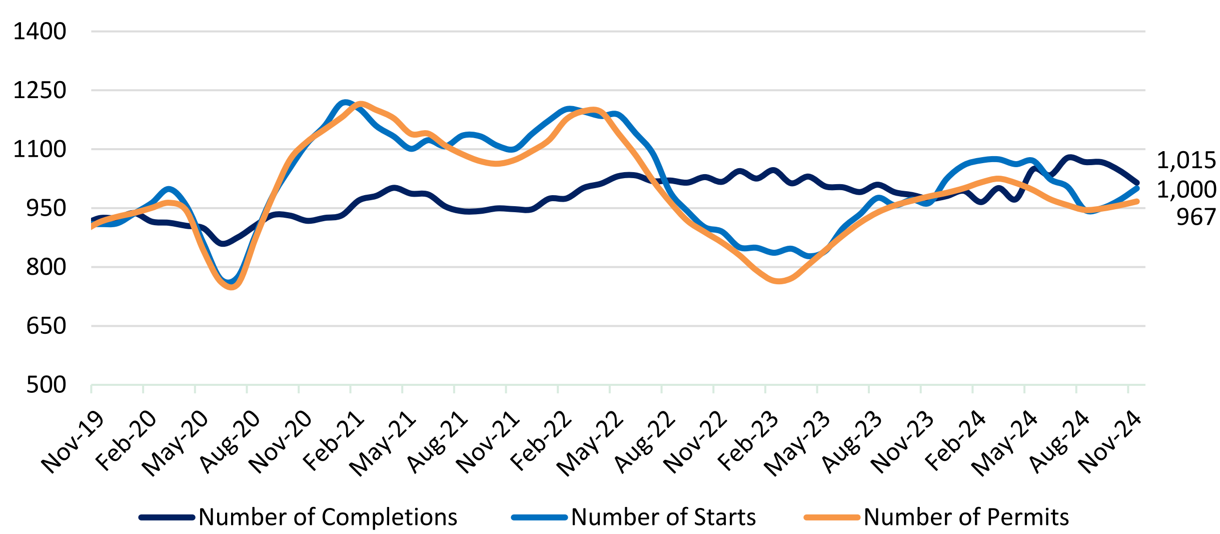
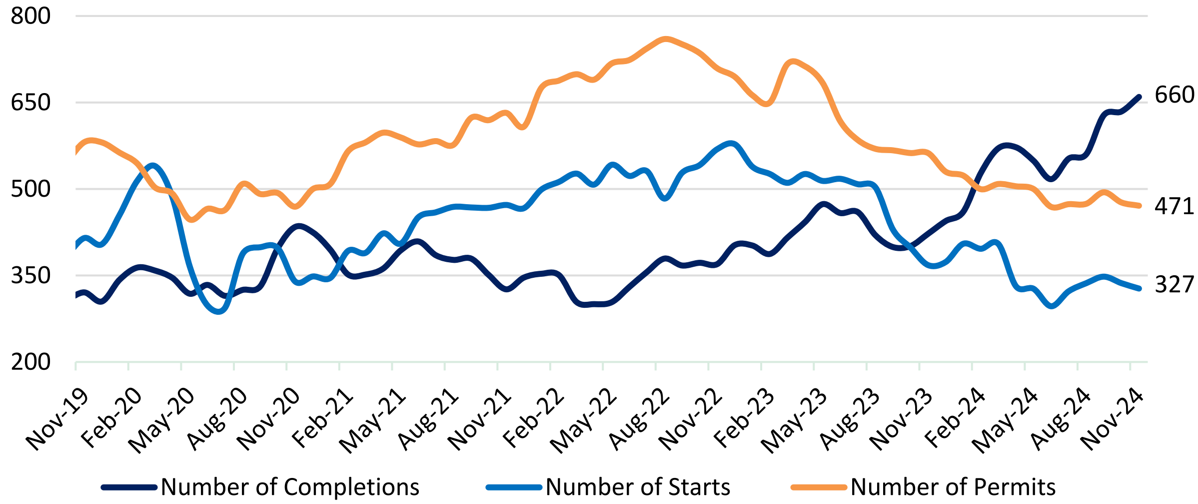


Figure 83. Multifamily Constructions Metrics: Permits, Starts, Completions



Source: Figure 81 FRED as of November 2024. Figures 82 & 83: New Residential Construction, U.S. Census Bureau data as of November 2024.

Note: Figures 82 & 83 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 decreased from $48.5 trillion in Q2 2024 to $48.2 trillion in Q3 2024. The total value of the US Single-Family housing market is up approximately 153% from its low in 2011. From Q3 2023 to Q3 2024 mortgage debt outstanding increased from approximately $12.9 trillion to $13.3 trillion and household equity increased from $32.6 trillion to $35.0 trillion. Agency Single-Family MBS continues to account for a growing percentage of the total mortgage debt outstanding, at roughly $9.3 trillion in Q3 2024 it represents more than 65% of total mortgage debt, up from just 52% in 2011.

Figure 84. Value of the U.S. Housing Market

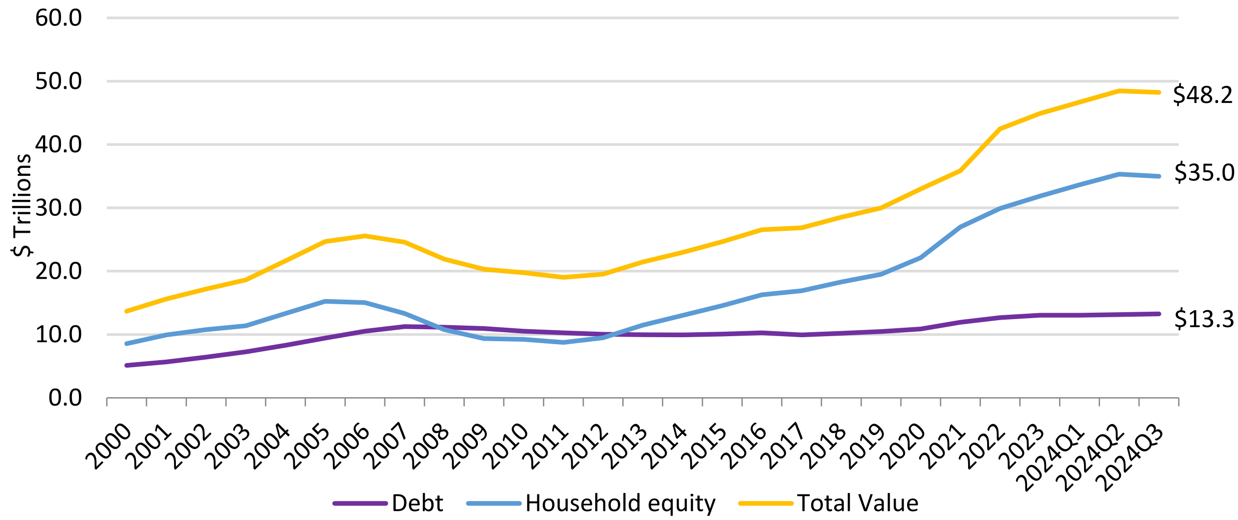
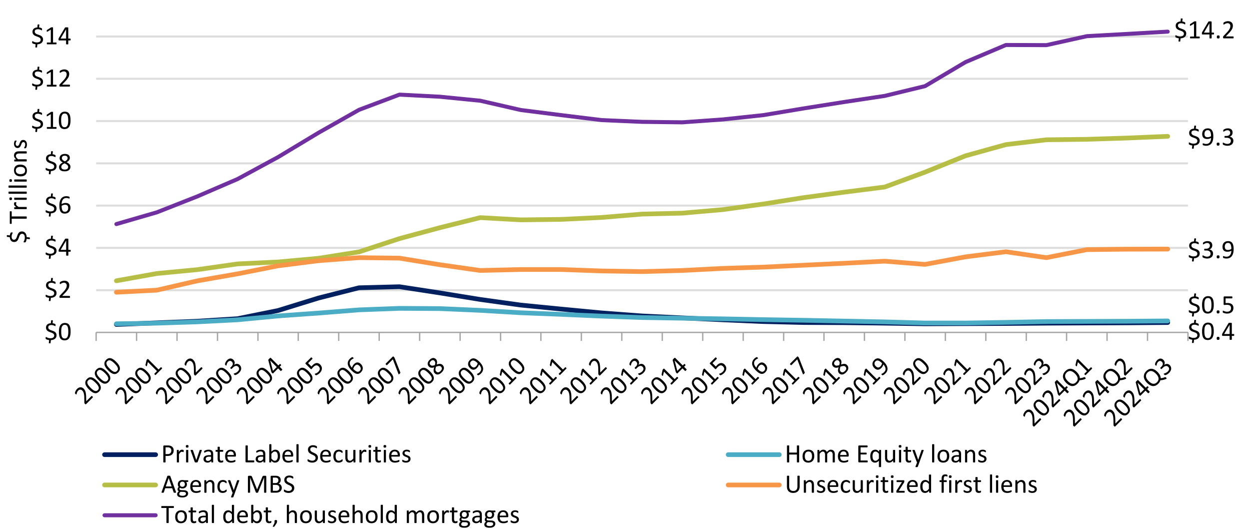


Figure 85. Size of the U.S. Residential Mortgage Market



Source: Federal Reserve Flow of Funds Data as of Q3 2024. Total debt in figure 85 includes additional Nonfinancial corporate/noncorporate business mortgages which is not included in the calculation for "debt" for figure 84. 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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