

Macro map

Global house prices

“Housing affordability is certainly going down. Waiting for interest rates to drop before buying a home may not be the best strategy because of supply. If we don't have enough houses to meet demand, prices will rise again. We are facing a housing shortage because millennials are settling down and fewer houses are being built.”

Sonia Meskin, Head of US Macro, BNY Mellon Investment Management.

Can we afford to buy? Price growth/fall

1 YEAR

5 YEARS

Source: Global Property Guide. Home price trends. November 2022.

UNITED STATES
 ↑ 12.20% | 31.34% ↑

UNITED KINGDOM
 ↓ -4.21% | 5.23% ↑

SPAIN
 ↓ -0.49% | 6.22% ↑

TURKEY
 ↓ -63.02% | 85.89% ↑

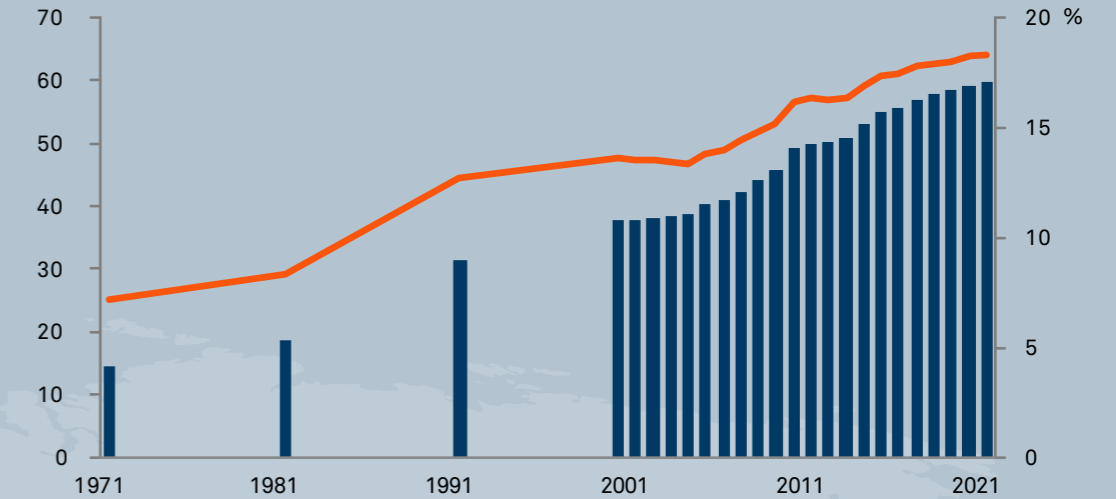
RUSSIA
 ↑ 9.96% | 32.51% ↑

CHINA
 ↑ 2.07% | 7.63% ↑

INDIA
 ↓ -3.42% | -24.76% ↓

Who's living at home?

Number living in multigenerational US households, in millions



Note: Multigenerational households include at least two generations of adults mainly 25 and older or grandparents and grandchildren younger than 25. Source: Pew Research Center. The demographics of multigenerational households. March 2022.

Why it costs so much to build a home (price change)

LUMBER
 2018 to 2021 ↑ 245%
 2021 to 2022 ↓ 67%

NEW HOMES UNDER CONSTRUCTION
 2018-2021 ↑ 62%
 2021-2022 ↓ 24%

CONCRETE
 2018-2021 ↑ 14%
 2021-2022 ↑ 15%

ASPHALT
 2018-2021 ↑ 11%
 2021-2022 ↑ 14%

Source: Bloomberg. BNY Mellon Investment Management. As of March 28, 2023.



Between July 2021 and June 2022, **baby boomers** (ages 58-76) made up the **largest generation of US home buyers at 39%** (up from 29% the year before).



Millennials (ages 27-42) accounted for **28% of US home buyers**, (down from 43% the year before).



26% of all US buyers were first-time buyers in 2022, down from 34% in 2021.

Source: National Association of Realtors. Home buyers and sellers generational trends. March 2023.



A London architect sheds light on the city's affordable housing problem by building his very own tiny home – out of a skip. He pays **US\$62 a month** to live in the skip that he built for roughly **US\$5,000**.

Source: CNBC. April 2023.