

## Economic Update, October 10, 2025

Submitted by Madison Thorn

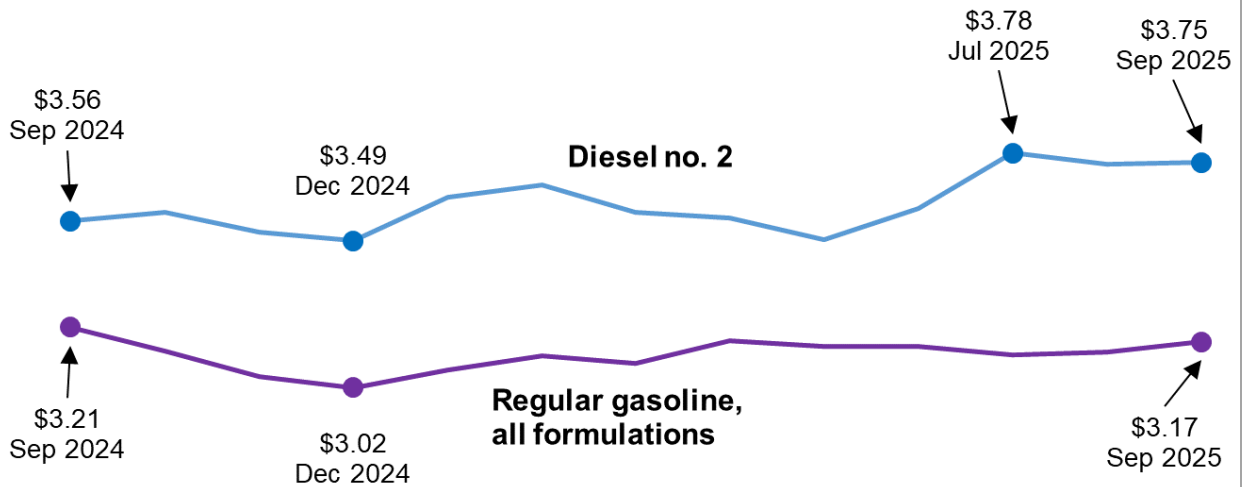
Summary: In September 2025, the average price for regular gasoline was \$3.17 per gallon, up 1.1 percent from August. The Dallas Federal Reserve's Weekly Economic Index measured 2.4 percent for the week ending October 4. The New York Federal Reserve's September Survey of Consumer Expectations showed one-year-ahead inflation expectations rising to 3.4 percent, and steady three and five-year expectations both at 3.0 percent, while expected earnings growth fell to 2.4 percent, the lowest since April 2021. In housing and mortgages, Fannie Mae's September Home Purchase Sentiment Index remained unchanged at 71.4; the Mortgage Bankers Association reported mortgage applications fell 4.7 percent for the week ending October 3, refinances down 8 percent, and credit availability up 0.4 percent. The National Association of Home Builders' Remodeling Market Index for the third quarter of 2025 rose to 60, indicating moderate industry optimism.

### **Federal Government Indicators and Reports:**

Bureau of Transportation

Tuesday, [Motor Fuel Prices](#): "In September 2025, the average price for regular motor gasoline was \$3.17 per gallon; up 1.1 percent from August 2025 and down 1.5 percent from September 2024. . . . The average price for diesel no. 2 rose to \$3.75 in September 2025, up 0.1 percent from August 2025, and up 5.3 percent from September 2024." The average price for regular motor gasoline in the Lower Atlantic region for September 2025 was \$2.91 (down 3.7 percent from September 2024).

### Monthly Sales Price of Transportation Fuel to End-Users: September 2024—September 2025 (Current dollars per gallon)



Notes: Regular motor gasoline (all formulations) and diesel no. 2 (on-highway diesel) fuel prices are retail prices and include taxes paid by the end-user. On-highway diesel does not include bio-diesel or other alternative fuels.

Source: U.S. Department of Energy, Energy Information Administration, available at <https://www.eia.gov/opendata/qb.php> (series id =EMM\_EPMR\_PTE\_NUS\_DPG, EMD\_EPD2D\_PTE\_NUS\_DPG, EMA\_EPJK\_PTG\_NUS\_DPG, EMA\_EPPV\_PTG\_NUS\_DPG) as of 10/06/2025.

### **Economic Indicators and Confidence:**

Federal Reserve Bank of Dallas

Thursday, [Weekly Economic Index](#) (WEI): “The WEI is currently 2.42 percent, scaled to four-quarter GDP growth, for the week ended Oct. 4 and 2.37 percent for Sept. 27. The 13-week moving average is 2.40 percent. This is compared with 2.08 percent four-quarter GDP growth through second quarter 2025. Initial claims for unemployment insurance are missing for the week ended Oct. 4 and continuing claims for unemployment insurance are missing for the week ended Sept. 27. These values are imputed from the non-missing data and will be replaced with the actual data when it is available.”

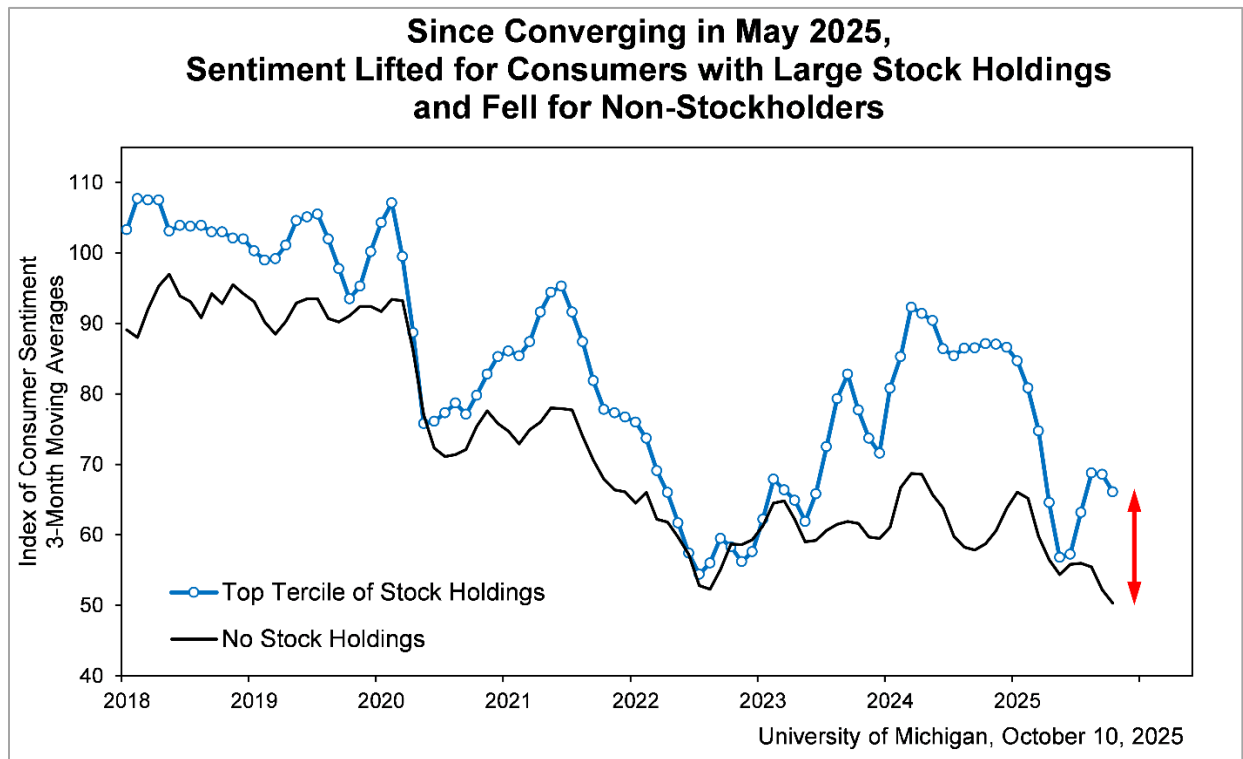
Federal Reserve Bank of New York

Tuesday, [Survey of Consumer Expectations](#): “Median inflation expectations in September increased at the one-year-ahead horizon to 3.4 percent from 3.2 percent and at the five-year-ahead horizon to 3.0 percent from 2.9 percent. They remained steady at the three-year-ahead horizon at 3.0 percent. . . . Median home price growth expectations remained unchanged at 3.0 percent for the fourth consecutive month. . . . Median one-year-ahead earnings growth expectations decreased by 0.1 percentage point to 2.4 percent in September, the lowest reading since April 2021. Mean unemployment expectations—or the mean probability that the U.S. unemployment rate will be higher one year from now—increased 2.0 percentage points to 41.1 percent. . . . The median expected growth in household income was unchanged at 2.9 percent in September, equaling the trailing 12-month

average. . . . The mean perceived probability that U.S. stock prices will be higher 12 months from now increased by 0.9 percentage point to 39.8 percent, well above the trailing 12-month average of 38.0 percent.”

University of Michigan

Friday, [Index of Consumer Sentiment](#): “Consumer sentiment moved sideways this month. At 55 index points, sentiment is virtually unchanged from September. Improvements this month in current personal finances and year-ahead business conditions were offset by declines in expectations for future personal finances as well as current buying conditions for durables. Overall, consumers perceive very few changes in the outlook for the economy from last month. Pocketbook issues like high prices and weakening job prospects remain at the forefront of consumers’ minds. At this time, consumers do not expect meaningful improvement in these factors. Meanwhile, interviews reveal little evidence that the ongoing federal government shutdown has moved consumers’ views of the economy thus far. Year-ahead inflation expectations ebbed from 4.7 percent last month to a still-high 4.6 percent this month. Long-run inflation expectations held steady at 3.7 percent. Inflation expectations for both time horizons are about midway between the readings seen a year ago and the highs seen this year in April and May in the wake of the initial announcements of major tariff changes.”



### **Mortgages and Housing Markets:**

Fannie Mae

Tuesday, [National Housing Survey](#): “Fannie Mae. . . . published the results of its September 2025 National Housing Survey (NHS), which includes the Home Purchase Sentiment Index (HPSI), a measure of consumer sentiment toward housing. Month over month, the HPSI remained unchanged at 71.4. Year over year, the HPSI is down 2.5 points.”

## Mortgage Bankers Association (MBA)

Wednesday, [Mortgage Applications](#): “The Market Composite Index, a measure of mortgage loan application volume, decreased 4.7 percent on a seasonally adjusted basis from one week earlier. On an unadjusted basis, the Index decreased 5 percent compared with the previous week. The Refinance Index decreased 8 percent from the previous week and was 18 percent higher than the same week one year ago. The seasonally adjusted Purchase Index decreased 1 percent from one week earlier. The unadjusted Purchase Index decreased 1 percent compared with the previous week and was 14 percent higher than the same week one year ago.”

Thursday, [Mortgage Credit Availability](#): “Mortgage credit availability increased in September according to the Mortgage Credit Availability Index (MCAI), a report from the Mortgage Bankers Association (MBA) that analyzes data from ICE Mortgage Technology. . . . The MCAI rose by 0.4 percent to 104.4 in September. A decline in the MCAI indicates that lending standards are tightening, while increases in the index are indicative of loosening credit. The index was benchmarked to 100 in March 2012. The Conventional MCAI increased 0.1 percent, while the Government MCAI increased by 0.8 percent. Of the component indices of the Conventional MCAI, the Jumbo MCAI decreased by 0.1 percent, and the Conforming MCAI rose by 0.7 percent.”

## National Association of Home Builders

Thursday, [Remodeling Market Index](#): “The National Association of Home Builders (NAHB) released its NAHB/Westlake Royal Remodeling Market Index (RMI) for the third quarter, posting a reading of 60, up one point compared to the previous quarter. With the reading of 60, the RMI remains solidly in positive territory above 50, but lower than it had been at any time from 2021 through 2024. . . . ““Overall, remodelers remain optimistic about the market, although slightly less optimistic than they were at this time last year,” said Nicole Goolsby Morrison, NAHB Remodelers chair from Raleigh, N.C. “The most significant headwinds they are facing include high material and labor costs, as well as economic and political uncertainty making some of their potential customers cautious about moving forward with remodeling projects.””