



Company	Ticker	Sector	Industry
PulteGroup, Inc.	PHM-US	Consumer Discretionary	Household Durables

Business Description

PulteGroup, Inc. engages in the homebuilding business. The firm is also involved in mortgage banking and title and insurance brokerage operations. It operates through the Homebuilding and Financial services business segments. The Homebuilding segment includes operations from Connecticut, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, Virginia, Georgia, North Carolina, South Carolina, Tennessee, Florida, Illinois, Indiana, Kentucky, Michigan, Minnesota, Missouri, Ohio, Texas, Arizona, California, Nevada, New Mexico, and Washington. The Financial Services segment is composed of mortgage banking and title operations. The company was founded by William J. Pulte in 1950 and is headquartered in Atlanta, GA.

Price Chart

Key Info & Metrics



Empirical Research Rank:	1
Date Purchased:	05/21/2020
Price:	\$58.63
52-Week Range:	\$36.25 - \$60.27
Dividend Yield:	1.06%
Market Cap (\$M):	\$13,227
Forward Price-to-Earnings:	8
Total Return	
Year-to-Date:	29.1%
1 Year:	41.8%
3 Year:	221.8%
5 Year:	103.2%

Investment Case - Updated: November 6, 2022

PulteGroup has benefited from a boom in housing demand driven by pandemic-related de-urbanization and delayed millennial home-buying decisions. Low mortgage rates and increased mobility during work-from-home served to magnify demand. Meanwhile supply was impacted due to construction delays, materials shortages, and existing home sellers reluctant to list during the pandemic. Pulte was able to overcome construction issues and improve profitability through operating leverage and passing price onto the consumer. As mortgage rates have more recently risen and input costs remain elevated, affordability has been impacted, particularly for entry-level buyers. Supply chain issues are expected to ease in late 2021-early 2022, relieving affordability pressure and potentially prolonging the demand cycle. Now holding far less inventory on the balance sheet than it had been post-financial crisis, PulteGroup is much better positioned to weather an air pocket in new home sales.

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