

Property market slows, but remains resilient

The My Property Consultant Property Index Tracker - 31 January 2017

House Prices

Nationwide, Halifax and Rightmove all indicate an increase in house prices over the last 12 months (4.5%, 6.5% and 3.2% respectively), and ONS figures also show that prices have increased by 6.7% over 12 months. Nationwide's quarterly index has reported a slight decrease over the last 3 months, however, this is primarily attributed to the typical seasonal lull at the end of the year. They continue to predict growth going forward for 2017.

Rents






















Your Move have yet to issue the Buy-to-Let Index for January as of date of publication.

Lending

The BoE Mortgage Approval Rate has increased by 0.2% since last month but is down 3.7% over the last 12 months. The Council of Mortgage Lenders reported an increase in the number of loans since last month of 1.8% but an overall drop of 1.7% since this time last year.

Property transactions

The HMRC Property Transactions Index has shown an increase of 5.1% over the last month but is down 4% from this time last year.

Indicator	12 Month Trendline	Current Value	Monthly/Quarterly % Change	Annual % Change	Comments
Nationwide House Price Growth (National)		£205,898	0.5% ↑	4.5% ↑	Commenting on the figures, Robert Gardner, Nationwide's Chief Economist, said: "Looking ahead to 2017, house price prospects will depend crucially on developments in the wider economy, around which there is a greater degree of uncertainty than usual." "Like most forecasters, including the Bank of England, we expect the UK economy to slow modestly next year, which is likely to result in less robust labour market conditions and modestly slower house price growth. But we continue to think a small gain - around two percent - is more likely than a decline over 2017 as a whole, since low interest rates are expected to help underpin demand while a shortage of homes on the market will continue to provide support for house prices".
Nationwide House Price Growth (National - 3 Month Avg)		£205,937	-0.2% ↓	4.5% ↑	
Nationwide House Price Growth (London - 3 Month Avg)		£473,073	-0.4% ↓	3.7% ↑	
Halifax House Price Growth (National) *		£222,484	2.1% ↑	6.5% ↑	House prices finished 2016 strongly. Prices in the final quarter of the year were 2.5% higher than in the previous quarter. The annual rate of growth increased, rising for the second consecutive month, from 6.0% in November to 6.5%.
Rightmove Asking Price Growth (National)		£300,245	0.4% ↑	3.2% ↑	Rightmove data for the turn of the year shows a steady start to 2017's housing market. The monthly increase in the price of property coming to market at 0.4% (+£1,086) is very similar to the 0.5% rise recorded in the same period 12 months ago. The price of property in London rose by 1.4% (+£8,793) this month, a typical seasonal rebound as the Christmas price lull starts to dissipate. Inner London prices remain subdued with a 0.6% monthly increase, whilst Outer London continues to outperform with a 2.2% rise.
Rightmove Asking Price Growth (G London)		£624,953	1.4% ↑	2.3% ↑	
Your Move Buy to Let index (rents - National)		£830	-7.8% ↓	3.9% ↑	The latest Your Move Buy-To-Let index has yet to be issued. Our apologies for the inconvenience. The next report will be fully updated with the latest data they have to offer.
Your Move Buy to Let index (rents - London)		£1,295	0.4% ↑	1.9% ↑	
ONS House Price Index (Average Price - National)		£217,928	1.1% ↑	6.7% ↑	Average house prices in the UK have increased by 6.7% in the year to November 2016 (up from 6.4% in the year to October 2016), continuing the strong growth seen since the end of 2013. The average UK house price was £218,000 in November 2016. This is £14,000 higher than in November 2015 and £2,000 higher than last month. On a regional basis, London continues to be the region with the highest average house price at £482,000, followed by the South East and the East of England, which stand at £313,000 and £278,000 respectively.
ONS House Price Index (Average Price - London)		£482,000	1.9% ↑	8.3% ↑	
Bank of England Mortgage Approval Rate *		67,505	0.2% ↑	-3.7% ↓	The number of loan approvals increased to 67,505 from a downwardly revised 63,370 in October and slightly better than market expectations of 67,400. It is the highest value since March of 2016, above the average of 64,178 over the previous six months.
Bank of England Base Rate		0.25%	0.0% →	-50.0% ↓	The Base rate set by the Monetary Policy Committee at the Bank of England stays at 0.25% since the rate change back in July 2016.
RICS Price Expectation Survey		24%	-20.0% ↓	N/A	The number of house sales faltered in December, and predictions were pared back. However, in the longer term, the 12 month sales outlook is positive with 32% more contributors expecting sales to rise over the year ahead. Shortage of properties-to-let are expected to drive rent higher.
HMRC Property Transactions (Uk Residential)		109,100	5.1% ↑	-4.0% ↓	The seasonally adjusted estimate of the number of residential property transactions increased by 0.2% between November 2016 and December 2016. The seasonally adjusted figure is 8.5% lower compared with the same month last year. The number of non-adjusted residential transactions was about 5.1% higher compared with November 2016. The number of non-adjusted residential transactions was 4.0% lower than in December 2015.
HMRC Property Transactions (Uk Residential) *		97,250	0.2% ↑	-8.5% ↓	
CPI - (Consumer Price Index)		101.9	0.5% ↑	1.6% ↑	The Consumer Prices Index (CPI) rose by 1.6% in the year to December 2016, compared with a 1.2% rise in the year to November. The rate in December was the highest since July 2014, when it was also 1.6%. The main contributors to the increase in the rate were rises in air fares and the price of food, along with prices for motor fuels, which fell by less than they did a year ago. CPIH (not a National Statistic) rose by 1.7% in the year to December 2016, up from 1.4% in November.
Rate of CPI		1.6%	N/A	N/A	
CML - Total No. of Loans **		112,300	3.1% ↑	-1.7% ↓	Paul Smee, director general of the CML, commented: "Overall, 2016 did not match recent years in terms of house purchase lending growth, but lending remained resilient through regulatory and political change and aspirations for home-ownership remain strong in the UK. Our forecasts for 2017 may be less bullish than a year ago, as economic uncertainty weighs on the market, but we still predict 1.2m transactions and a slight increase in gross lending to £248bn. Buy-to-let lending, driven by remortgage activity, saw its strongest monthly lending level since the stamp duty changes on second properties introduced last April. Despite this, we expect buy-to-let lending levels in both 2016 and 2017 to prove lower than their 2015 recent peak as further tax changes take effect."
CML - Total value of Loans (£m)**		£23,800(m)	12.3% ↑	22.7% ↑	Landlords borrowed £3.1bn, up 6.9% month-on-month but down 8.8% year-on-year. This came to 16,800 loans in total, up 1.8% compared to October but down 27.3% compared to November 2015 (23,100)
CML - Buy to Let: Number of Loans **		16,800	1.8% ↑	-27.3% ↓	
CML - Buy to Let: Value of Loans (£m)**		£3,100(m)	6.9% ↑	-8.8% ↓	

* Data is Seasonally Adjusted (SA).

** The data compiled is the combined value of both new house purchase loans as well as remortgaged loans. It relates to mortgage advances only.

Data illustrated is a snapshot of the latest official data as of: 27 January, 2017.

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