

Bank of England raise interest rates by 0.25% for the first time since July 2007

The My Property Consultant Property Index Tracker - 2 November 2017

House Prices

Nationwide, Halifax and Rightmove all indicate an increase in house prices over the last 12 months (2.5%, 5.0% and 1.4% respectively), and ONS figures also show that prices have increased by 5.0% over 12 months.

Interest Rates






















Interest rates increased by 0.25% on 2nd November 2017 for the first time since July 2007. Mark Carney, the Bank of England Governor, has stated that rates may have to increase twice more over the next 3 years to 1%. Therefore we are likely to remain in a low rate environment.

Lending

The BoE Mortgage Approval Rate has decreased by 1.5% since last month but has increased by 3.1% over the last 12 months. The Council of Mortgage Lenders are reporting an overall increase in the number of loans since last month of 9.3% and an overall increase of 9.4% since this time last year.

Property transactions

The HMRC Property Transactions Index has reported a decrease of 6.8% in transactions over the last month and up 1.2% from this time last year.

Indicator	12 Month Trendline	Current Value	Monthly/Quarterly % Change	Annual % Change	Comments
Nationwide House Price Growth (National)		£211,085	0.5% ↑	2.5% ↑	Commenting on the figures, Robert Gardner, Nationwide's Chief Economist, said: "The annual rate of house price growth picked up slightly in October to 2.5%, from a revised 2.0% in September. Nevertheless, annual house price growth remains within the 2-4% range that has prevailing since March. Low mortgage rates and healthy rates of employment growth are providing some support for demand, but this is being partly offset by pressure on household incomes, which appears to be weighing on confidence. The lack of homes on the market is providing support to house prices."
Nationwide House Price Growth (National - 3 Month Avg)		£210,982	0.5% ↑	2.2% ↑	
Nationwide House Price Growth (London - 3 Month Avg)		£471,761	-1.3% ↓	-0.6% ↓	
Halifax House Price Growth (National) *		£225,109	0.8% ↑	5.0% ↑	The annual rate of growth rose from 4.4% in August to 5.0% in September whilst the monthly growth rate dropped from 1.5% to 0.8% in the same time period. The average house price is now £225,109 – the highest on record.
Rightmove Asking Price Growth (National)		£313,435	1.1% ↑	1.4% ↑	Nationally, the price of property is up by an average of 1.1% (+£3,432) on the previous month. The Rightmove Index has recorded an increase in October every year since it started back in 2001, but this month's is the largest since 2014.
Rightmove Asking Price Growth (G London)		£629,611	3.1% ↑	-2.5% ↓	In London, the average price has taken a remarkable upturn and risen by 3.1% (+£18,699) compared to the previous month's growth rate (-2.9%). The annual rate of price however may give a less volatile reading of the state of the London market, with new seller asking prices 2.5% below those of a year ago.
Your Move Buy to Let index (rents - National)		£938	3.8% ↑	3.4% ↑	Most areas of England and Wales have seen rental price growth over the last year, although the best performances continue to be seen in the regions away from London. On a non-seasonally adjusted basis, the average rent charged to tenants was £938 in September. London has reported a minor drop within the last month of -0.2% and a substantially larger one over the last year of -4.5% primarily due to the drop reported in October 2016.
Your Move Buy to Let index (rents - London)		£1,280	-0.2% ↓	-4.5% ↓	
ONS House Price Index (Average Price - National)		£225,956	0.5% ↑	5.0% ↑	Average house prices in the UK have increased by 5.0% in the year to August 2017 (up from 4.5% in July 2017). The annual growth rate has slowed since mid-2016 but has remained broadly under 5% during 2017.
ONS House Price Index (Average Price - London)		£484,000	-1.0% ↓	2.5% ↑	On a regional basis, London continues to be the region with the highest average house price at £484,000, followed by the South East and the East of England, which stand at £325,000 and £288,000 respectively. The lowest average price continues to be in the North East at £131,000.
Bank of England Mortgage Approval Rate *		66,232	-1.5% ↓	3.1% ↑	The number of loan approvals for house purchase in the United Kingdom fell to 66,232 in September 2017 from an upwardly revised 67,232 in August, but above market expectations of 66,050.
Bank of England Base Rate		0.5%	100.0% ↑	100.0% ↑	Interest rates increased by 0.25% on 2nd November 2017 for the first time since July 2007. Mark Carney, the Bank of England Governor, has stated that rates may have to increase twice more over the next 3 years to 1%. Therefore we are likely to remain in a low rate environment.
RICS Price Expectation Survey		6%	0.0% →	N/A	The headline price net balance held steady in September, again returning a figure of +6%. As such, this measure is consistent with a very marginal increase in prices nationally.
HMRC Property Transactions (Uk Residential)		106,650	-6.8% ↓	1.2% ↑	The number of non-adjusted residential transactions was about 6.8% lower compared with August 2017 and 1.2% higher than in September 2016.
HMRC Property Transactions (Uk Residential) *		100,850	-1.8% ↓	4.6% ↑	The seasonally adjusted estimate of the number of residential property transactions decreased by 1.8% between August 2017 and September 2017. This month's seasonally adjusted figure is 4.6% higher compared with the same month last year.
CPI - (Consumer Price Index)		104.1	0.3% ↑	3.0% ↑	The Consumer Prices Index (CPI) 12-month rate was 3.0% in September 2017, up from 2.9% in August 2017; it was last higher in March 2012.
Rate of CPI		3%	N/A	N/A	The Consumer Prices Index including owner occupiers' housing costs (CPIH) 12-month inflation rate was 2.8% in September 2017, up from 2.7% in August 2017; it was last higher in March 2012.
CML - Total No. of Loans **		130,100	9.3% ↑	9.2% ↑	The main contributors to the increase in the rate were rising prices for food and recreational goods, along with transport costs.
CML - Total value of Loans (£m)**		£23,000(m)	-0.9% ↓	3.1% ↑	Commenting on the data, UK Finance's Head of Mortgages Policy June Deasy said: "Activity picked up in August, and recent resilience ensured that borrowing by home movers was at its highest since March 2016, when transactions were boosted by an imminent increase in stamp duty. Over the last 12 months, the number of people remortgaging has been higher than in any period since late 2009. With mortgage rates close to historic lows and the likelihood of a rise in official rates moving closer, the popularity of remortgaging looks set to continue."
CML - Buy to Let: Number of Loans **		20,500	9.6% ↑	13.3% ↑	Remortgaging accounted for more than two-thirds (68 per cent) of buy-to-let lending in August. Buy-to-let remortgaging was five per cent lower than in July, but borrowing for house purchase increased by 11 per cent.
CML - Buy to Let: Value of Loans (£m)**		£3,100(m)	0.0% →	3.3% ↑	

* 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: 02 November, 2017.

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