

Bank of England raises interest rate to 0.75%

The My Property Consultant Property Index Tracker - August 2018

House Prices

Nationwide, Halifax and Rightmove all indicate a nationwide increase in house prices over the last 12 months (2.5%, 3.3% and 1.4% respectively), and ONS figures show that prices have increased by 3.0% over 12 months. Meanwhile house prices in London have decreased by 1.7% compared to this time last year.

Rents

Your Move indicate nationally relatively minor increase of 0.2% and a 0.5% increase since this time last year. London's figure's have been comparatively stable albeit reporting a slight decrease of 0.5% in the last month and 0.2% since this time last year.

Lending

The BoE Mortgage Approval Rate has increased by 14% since last month and is stable compared to last year with only a 0.2% decrease reported over the last 12 months. The Council of Mortgage Lenders are reporting an increase in the number of loans reported since last month of 6.7% and an overall increase of 6.7% since this time last year.

Property transactions

The HMRC Property Transactions Index has reported an increase of 13.0% in transactions over the last month but down 8.8% from this time last year overall.

Indicator	12 Month Trendline	Current Value	Monthly/Quarterly % Change	Annual % Change	Comments
Nationwide House Price Growth (National)		£217,010	0.7% ↑	2.5% ↑	Commenting on the figures, Robert Gardner, Nationwide's Chief Economist, said: "There was a slight uptick in annual house price growth in July to 2.5%, from 2.0% in June. Nonetheless, annual house price growth remains within the fairly narrow range of c2-3% which has prevailed over the past 12 months, suggesting little change in the balance between demand and supply in the market."
Nationwide House Price Growth (National - 3 Month Avg)		£214,578	1.3% ↑	2.2% ↑	"Looking further ahead, much will depend on how broader economic conditions evolve, especially in the labour market, but also with respect to interest rates."
Nationwide House Price Growth (London - 3 Month Avg)		£468,845	-1.0% ↓	-1.9% ↓	"Overall, we continue to expect house prices to rise by around 1% over the course of 2018."
Halifax House Price Growth (National) *		£225,654	0.5% ↑	3.3% ↑	House prices rose by 0.5% in the last month and by 3.3% overall since this time last year. However this 3.3% increase is masked by month to month fluctuations and the annual change recorded by Halifax (as per their quarterly increase since this time last year) is 1.8%
Rightmove Asking Price Growth (National)		£309,191	-0.1% ↓	1.4% ↑	New seller asking prices hits the usual summer slowdown this month resulting in virtual price standstill with a recorded -0.1 drop (-£248). London on the other hand recorded a drop of 0.5% (-£3,279) in the same period.
Rightmove Asking Price Growth (G London)		£628,458	-0.5% ↓	-1.7% ↓	The price of property coming to the market in the capital is now 1.7% (-£11,040) cheaper than it was a year ago, the largest year-on-year fall since the 3.5% seen in January of this year.
Your Move Buy to Let index (rents - National)		£818	0.2% ↑	0.5% ↑	Martyn Alderton, National Lettings Director at Your Move, commented: "Landlords will be encouraged to see strong rent growth and solid yields in most areas of England and Wales. For renters the East Midlands and South West have seen prices grow faster than anywhere else in the UK. Meanwhile landlords in most of the nine regions surveyed have seen their returns remain steady this month, contrasting the recent declines we have seen."
Your Move Buy to Let index (rents - London)		£1,273	-0.1% ↓	-0.2% ↓	
ONS House Price Index (Average Price - National)		£226,351	0.1% ↑	3.0% ↑	The average UK house price was £226,000 in May 2018. This is £6,000 higher than in May 2017 and unchanged from last month.
ONS House Price Index (Average Price - London)		£478,853	0.1% ↑	-0.4% ↓	On a regional basis, London continued to be the region with the highest average house price at £479,000, followed by the South East and the East of England, which stood at £322,000 and £289,000 respectively.
Bank of England Mortgage Approval Rate *		65,619	1.4% ↑	-0.2% ↓	The number of mortgages approved for house purchase in the United Kingdom increased to a five-month high of 65,619 in June 2018 from an upwardly revised 64,684 in the previous month and above market consensus of 65,500.
Bank of England Base Rate		0.75%	50.0% ↑	200.0% ↑	Following on from the interest rate hike in November, the Bank of England have raised their rates once again this month from 0.5% to 0.75%.
RICS Price Expectation Survey		2%	-66.7% ↓	N/A	The RICS edged up by +2% in June compared with -2% in May. This is the thirteenth month in a row in which the reading for this indicator has been in a range of +/- 10% and is suggestive of the flattish price picture persisting in the near term.
HMRC Property Transactions (Uk Residential)		107,750	13.0% ↑	-8.8% ↓	For June 2018 the number of non-adjusted residential transactions was about 13.0% higher compared with May 2018 whilst the number of transactions was 8.8% lower than in June 2017.
HMRC Property Transactions (Uk Residential) *		96,340	-3.0% ↓	-5.7% ↓	The seasonally adjusted estimate of the number of residential property transactions decreased by 3.0% between May 2018 and June 2018 and is 5.7% lower compared with the same month last year.
CPI - (Consumer Price Index)		105.8	0.0% →	2.4% ↑	The Consumer Prices Index (CPI) 12-month rate was 2.4%, unchanged from May 2018. Rising prices for motor fuels and domestic gas and electricity produced the largest upward contributions to change in the rate whilst falling prices for clothing and games, toys and hobbies provided the largest downward effects.
Rate of CPI		2.4%	N/A	N/A	The Consumer Prices Index including owner occupiers' housing costs (CPIH) 12-month inflation rate was 2.3% in June 2018, unchanged from May 2018.
CML - Total No. of Loans **		119,400	6.7% ↑	6.7% ↑	This month has seen an increase of 6.7% in the total number of loans compared to last month and a corresponding 6.7% increase compared to the same time last year.
CML - Total value of Loans (£m)**		£21,300(m)	4.9% ↑	8.1% ↑	Commenting on the data, Jackie Bennett, Director of Mortgages at UK Finance said: "The mortgage market is seeing a pre-summer boost, driven by a rise in the number of first-time buyers and strong remortgaging activity. It is also particularly encouraging to see an increase in homemovers, after a period of relative sluggishness in this important segment of the market."
CML - Buy to Let: Number of Loans **		20,100	4.1% ↑	6.9% ↑	"However, affordability remains a challenge for some prospective buyers and this is reflected by a gradual increase in loan to income multiples. Meanwhile purchases in the buy-to-let market continue to be constrained by recent regulatory and tax changes, the full impact of which have yet to be fully felt."
CML - Buy to Let: Value of Loans (£m)**		£3,000(m)	0.0% →	7.1% ↑	

* 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 August, 2018.

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