

Brexit uncertainty creates wait and see approach, affecting house prices

The My Property Consultant Property Index Tracker - March 2019

House Prices

Nationwide, Halifax and Rightmove all indicate a national stagnation in house price growth over the last 12 months with minimal increases recorded (0.4%, 0.1%, 0.2% respectively), the ONS however are reporting an increase of 2.5% over the last 12 months however this is their lowest growth rate recorded since 2013.

Rents

Your Move Buy-to-Let Index have failed to issue a report for the latest month and the figures displayed are still the snapshot of the previous months data.

Lending

The BoE Mortgage Approval Rate has picked up somewhat after last month's lull and is up by 3.6% however this was not enough to impact the annual recorded change and this is down by 0.7% compared to this time last year.

Property transactions

The HMRC Property Transactions Index has reported a decrease of 19.1% over the last month and 0.9% overall compared to this time last year, however taking seasonal adjustments into account they are up 0.8% in the last month and up by 1.3% compared to last year overall.

Indicator	12 Month Trendline	Current Value	Monthly/Quarterly % Change	Annual % Change	Comments
Nationwide House Price Growth (National)		£211,304	-0.3% ↓	0.4% ↑	Commenting on the figures, Robert Gardner, Nationwide's Chief Economist, said: "After almost grinding to a complete halt in January, annual house price growth remained subdued in February, with prices just 0.4% higher than the same time last year. "Indicators of housing market activity, such as the number of property transactions and the number of mortgages approved for house purchase, have remained broadly stable in recent months, but survey data suggests that sentiment has softened.
Nationwide House Price Growth (National - 3 Month Avg)		£214,178	-0.9% ↓	1.3% ↑	
Nationwide House Price Growth (London - 3 Month Avg)		£466,988	-0.3% ↓	-0.8% ↓	
Halifax House Price Growth (National) *		£223,691	-2.6% ↓	0.1% ↑	Russell Galley, Managing Director, Halifax, said "Attention will no doubt be drawn towards the monthly fall of -2.6% from December to January, the second time in three years that we have seen a drop as a new year starts. However, the bigger picture is actually that house prices have seen next to no movement over the last year, with annual growth of just 0.1%.
Rightmove Asking Price Growth (National)		£300,715	0.7% ↑	0.2% ↑	National avg. price of property rises by 0.7% (+£1,981) this month, consistent with the average 0.6% February uplift in the previous two years. With the average annual rate of growth at only 0.2% (+£714), annual wage growth of 3.4%* is now outstripping asking prices at the fastest rate since 2011. Meanwhile the average price of property coming to market in the capital rises by 3.4% (+£20,210), a typical surge at this time of year. Despite this rise, new seller asking prices are still 2.1% (-£13,409) below those of a year ago.
Rightmove Asking Price Growth (G London)		£614,182	3.4% ↑	-2.1% ↓	
Your Move Buy to Let index (rents - National)		£901	-3.6% ↓	8.8% ↑	Your Move have not released any new data since the MPC Tracker was last issued. As a result the data displayed is the data for last month.
Your Move Buy to Let index (rents - London)		£1,263	0.0% →	-0.9% ↓	
ONS House Price Index (Average Price - National)		£230,776	0.2% ↑	2.5% ↑	Average house prices in the UK increased by 2.5% in the year to December 2018, down from 2.7% in November 2018. This is the lowest annual rate since July 2013 when it was 2.3%. The average UK house price was £231,000, that is, £6,000 higher than in December 2017. On a non-seasonally adjusted basis, average house prices increased by 0.2% compared with an increase of 0.4% during the same period a year earlier.
ONS House Price Index (Average Price - London)		£473,822	0.1% ↑	-0.6% ↓	
Bank of England Mortgage Approval Rate *		66,766	3.6% ↑	-0.7% ↓	The number of mortgages approved for house purchase in the United Kingdom rose to 66,766 in January 2019, the highest number since October, following an upwardly revised 64,468 in December and beating market expectations of 63,400.
Bank of England Base Rate		0.75%	0.0% →	50.0% ↑	Following the interest rate hike of 0.25% on the 2nd August 2018, the interest rate remains at 0.75%.
RICS Price Expectation Survey		-22%	-8% ↓	N/A	The RICS January 2019 results continue to signal a subdued backdrop, with enquiries, sales and new instructions all falling further over the month. In the near term, contributors sense little prospect of a turnaround, as concerns over the potential impact of Brexit continue to cause hesitancy.
HMRC Property Transactions (Uk Residential)		81,110	-19.1% ↓	0.9% ↑	The provisional seasonally adjusted UK property transaction count for January 2019 was 101,170. The count of residential property transactions increased by 0.8% between December 2018 and January 2019, and is 1.3% higher than January 2018. Looking at the bare numbers transactions dropped by 19.1% compared to this time last month and by 0.9% overall since this time last year.
HMRC Property Transactions (Uk Residential) *		101,170	0.8% ↑	1.3% ↑	
CPI - (Consumer Price Index)		106.3	-0.7% ↓	1.8% ↑	The Consumer Prices Index (CPI) 12-month rate was 1.8% in January 2019, down from 2.1% in December 2018. The largest downward contribution to the change in the 12-month rate came from electricity, gas and other fuels, with prices overall falling between December 2018 and January 2019 compared with price rises the same time a year ago. The Consumer Prices Index including owner occupiers' housing costs (CPIH) 12-month inflation rate was 1.8% in January 2019, down from 2.0% in December 2018.
Rate of CPI		1.8%	N/A	N/A	
Rate of CPH		0.6%	N/A	N/A	
CML - Total No. of Loans **		112,400	-15.6% ↓	4.7% ↑	Commenting on the data, Jackie Bennett, Director of Mortgages at UK Finance said: "The mortgage industry helped 370,000 people buy their first home in 2018, the highest number in twelve years, as competitive deals and government schemes such as Help to Buy continue to boost the market. "Homeowner remortgaging also saw strong growth driven by customers locking into attractive rates, a trend we expect to continue in 2019 as more fixed-rate mortgages come to an end. "Demand for new buy-to-let purchases continues to be dampened by recent tax and regulatory changes. However, the number of buy-to-let remortgages reached a record high of almost 170,000 last year, suggesting many landlords remain committed to the market."
CML - Total value of Loans (£m)**		£20,500(m)	-13.9% ↓	5.7% ↑	
CML - Buy to Let: Number of Loans **		17,500	-17.1% ↓	15.1% ↑	
CML - Buy to Let: Value of Loans (£m)**		£2,700(m)	-15.6% ↓	12.5% ↑	

* Data is Seasonally Adjusted (SA). Data is subject to adjustments post publication by each individual organisation, past figures are therefore subject to revision and change.

Data illustrated is a snapshot of the latest official data as of: 01 March, 2019.

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