

Weak pound adds to buying opportunities in London for overseas buyers

The My Property Consultant Property Index Tracker - August 2019

House Prices

Nationwide and Halifax and the ONS have all reported an increase in house price growth over the last 12 months (0.3%, 4.4% and 1.2% respectively), whilst Rightmove have recorded a slight drop of 0.2% in theirs. Again Halifax's data is at odds with the rest of the market due to the lull reported in their data a year ago.

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 increased by 1.2% this month and is up by 1.2% compared to this time last year. Conversely the Council of Mortgage Lenders are reporting a 7.6% drop in the number of loans reported for this month, and a 14.6% drop in their number compared to the same time last year.

Property transactions

After taking into account seasonal fluctuations the HMRC have reported an annual drop of 16.5% compared to this time last year, without applying seasonal decomposition this figure is actually larger with a 25.1% decrease recorded.

Indicator	12 Month Trendline	Current Value	Monthly/Quarterly % Change	Annual % Change	Comments
Nationwide House Price Growth (National)		£217,663	0.5% ↑	0.3% ↑	Commenting on the figures, Robert Gardner, Nationwide's Chief Economist, said: "Annual house price growth remained below 1% for the eighth month in a row in July, at 0.3%. While house price growth has remained fairly stable, there have been mixed signals from the property market in recent months. "Surveyors report that new buyer enquiries have increased a little, though key consumer confidence indicators remain subdued. Data on the number of property transactions points to a slowdown in activity, though the number of mortgages approved for house purchase has remained broadly stable.
Nationwide House Price Growth (National - 3 Month Avg)		£215,910	1.5% ↑	0.6% ↑	
Nationwide House Price Growth (London - 3 Month Avg)		£465,722	2.2% ↑	-0.7% ↓	
Halifax House Price Growth (National) *		£237,110	-0.3% ↓	4.4% ↑	June's annual change figure of 4.4% (5.7% on the last 3 months vs last year) comes against the backdrop of a particularly low growth rate in the corresponding period in 2018, which has had an impact on year-on-year comparisons. Never the less Russell Galley, Managing Director, Halifax, commented "...Recent industry figures show demand looking slightly more stable, with mortgage approvals ticking along just above the long-term average."
Rightmove Asking Price Growth (National)		£308,692	-0.2% ↓	-0.2% ↓	The price of property coming to market fell by 0.2% (-£656), the first monthly fall so far in 2019, this recent change along with other key metric indicators indicate a buyer's market in the second half of 2019 according to Rightmove's latest national report. Likewise London also reported a modest 0.2% drop (-£939) this month, compared to the average 0.6% July fall over the last five years, this coupled with the scarcity of new sellers (down 18% on the same period last year) shows signs of helping the London market stabilise.
Rightmove Asking Price Growth (G London)		£617,941	-0.2% ↓	-1.7% ↓	
Your Move Buy to Let index (rents - National)		£861	0.1% ↑	0.0% →	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)		£1,262	0.2% ↑	-0.9% ↓	
ONS House Price Index (Average Price - National)		£229,431	0.1% ↑	1.2% ↑	The average UK house price was £229,000, this is £2,000 higher than the same period a year ago. On a non-seasonally adjusted basis, average house prices in the UK increased by 0.1% compared with a rise of 0.4% in average prices during the same period a year earlier. London reported a strong drop of 2.5% over the last month (£11,831) resulting in a reported annual drop of 4.4% (£21,000), this is 2.7% lower than last month's annual rate.
ONS House Price Index (Average Price - London)		£457,471	-2.5% ↓	-4.4% ↓	
Bank of England Mortgage Approval Rate *		66,440	1.2% ↑	1.1% ↑	The number of mortgages approved for house in the United Kingdom increased to 66,440 in June 2019 from an upwardly revised 65,647 in the previous month and above market expectations of 65,750. Thi 1.1% higher than the same time last year.
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		-1%	9% ↑	N/A	A more stable trend is now emerging in the UK housing market, according to the latest results for the RICS UK Residential Market Survey, contributors reported a rise in buyer demand, that new instructions have held steady, and that newly agreed sales also edged into positive territory for the first time in twenty-eight months.
HMRC Property Transactions (Uk Residential)		83,750	-13.6% ↓	-25.1% ↓	The provisional seasonally adjusted UK transaction count for residential properties was 84,490, this is a decrease of 9.7% since last month and is 16.5% lower than the same time last year. Ignoring seasonal fluctuations the figures are even higher with a -25.1% difference compared to last year demonstrating the lull in purchasing in the current market.
HMRC Property Transactions (Uk Residential) *		84,490	-9.7% ↓	-16.5% ↓	
CPI - (Consumer Price Index)		107.9	0.0% →	2.0% ↑	The Consumer Prices Index (CPI) 12-month rate was 2.0%, unchanged from last month. The largest downward contributions to change in the 12-month rate came from motor fuels, accommodation services and electricity, gas and other fuels, this in turn was offset by upward contributions to change coming from clothing and food.
Rate of CPI		2%	N/A	N/A	The Consumer Prices Index including owner occupiers' housing costs (CPIH) L131 rate was 1.9%, also unchanged from May 2019.
CML - Total No. of Loans **		102,020	-7.6% ↓	-14.6% ↓	The total number of loans reported by the latest UK Finance / CML records is 7.6% lower than the amount reported last month, the majority of reductions however is attributable to a drop in remortgages by existing homeowners, whereas all other sectors (First-time-buyers, homemovers, buy-to-let & buy-to-let remortgages) have actually seen an increase over the last month.
CML - Total value of Loans (£m)**		£18,495(m)	-7.5% ↓	-13.2% ↓	
CML - Buy to Let: Number of Loans **		20,500	5.1% ↑	1.5% ↑	On an annual basis this figure is 14.6% lower than last year and closer inspection of the records also indicate that the major contributor to the downfall is 'remortgages by existing homeowners' with the majority of other categories having dropped by an average of 3.4% only. The Buy-to-let sector has actually seen an increase in the number of reported loans by 5.1% over the last month and 1.5% over the last year.
CML - Buy to Let: Value of Loans (£m)**		£3,000(m)	0.0% →	0.0% →	

* 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 August, 2019.

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