

Buying opportunities set to continue as Brexit deadline is extended

The My Property Consultant Property Index Tracker - November 2019

House Prices

Nationwide and Halifax have both reported marginal gains in house price growth over the last 12 months (0.4%, 1.3% respectively), with Halifax's data being somewhat inflated due to the lull reported in their data a year ago. Rightmove are reporting a drop of 0.2% since this time last year whilst the ONS are reporting an increase of 1.3% but once adjusted for seasonal fluctuations this is actually down by 1.4%.

Rents

YourMove Rental Index has been terminated. MPC are looking at using the HomeLet Rental Index as a viable alternative but this won't be available till next month.

Lending

The BoE Mortgage Approval Rate has increased by 0.6% this month and is up by 0.5% compared to this time last year. The Council of Mortgage Lenders are reporting a decrease of 0.4% in the number of loans reported for this month which, overall, means the amount is 2.9% lower than this time last year.

Property transactions

After taking into account seasonal fluctuations the HMRC have reported an annual increase in transactions of 2.3% compared to this time last year. Without applying seasonal decomposition, this figure is actually 6.3% higher than last year.

| Indicator | 12 Month Trendline | Current Value | Monthly/Quarterly % Change | Annual % Change | Comments |
|--|--------------------|---------------|----------------------------|-----------------|--|
| Nationwide House Price Growth (National) | | £215,368 | 0.01% ↑ | 0.4% ↑ | Commenting on the figures, Robert Gardner, Nationwide's Chief Economist, said: "Annual house price growth remained below 1% for the 11th month in a row in October, at 0.4%. Average prices rose by around £800 over the last 12 months, a significant slowing compared with recent years – for example, in the same period to October 2016, prices increased by £9,100. Indicators of UK economic activity have been fairly volatile in recent quarters, but the underlying pace of growth appears to have slowed as a result of weaker global growth and an intensifying of Brexit uncertainty. To date, the slowdown has centred on business investment, while household spending has been more resilient." |
| Nationwide House Price Growth (National - 3 Month Avg) | | £216,805 | 0.4% ↑ | 0.3% ↑ | |
| Nationwide House Price Growth (London - 3 Month Avg) | | £460,686 | -1.1% ↓ | -1.7% ↓ | |
| Halifax House Price Growth (National) * | | £232,574 | -0.4% ↓ | 1.3% ↑ | Russell Galley, Managing Director, Halifax, said: "Annual house price growth slowed somewhat, rising by just 1.3% over the last year. Whilst this is lowest level of growth since April 2013, it remains in keeping with the predominantly flat trend we've seen in recent months. "Looking ahead, we expect activity levels and price growth to remain subdued while the current period of economic uncertainty persists." |
| Rightmove Asking Price Growth (National) | | £306,712 | 0.6% ↑ | -0.2% ↓ | Smaller than usual Autumn price bounce, with price of property coming to market seeing its lowest monthly rise at this time of year since October 2008, up by just 0.6% (+£1,942). The number of sellers coming to market is down by 13.5% compared to this time last year, as sluggish prices and imminence of Brexit deadline deter speculative sellers. In London the price of newly listed property rises by 2.4% (+£14,577) this month, offsetting the 2.2% fall last month, giving an encouraging total rise of 0.2% (+£1,223) since August. The main drivers for London's tentative recovery are the scarcity of properties coming to market and larger price rises closer to centre of London |
| Rightmove Asking Price Growth (G London) | | £618,432 | 2.4% ↑ | -1.1% ↓ | |
| Your Move Buy to Let index (rents - National) | | £861 | 0.1% ↑ | 0.0% → | The Your Move Buy to Let rental index has been terminated and is no longer being updated. As a result the data displayed is the data for 4 months ago. MPC is currently looking at options and will more than likely provide rental data based on the HomeLet Rental index, however we are enquiring about obtaining historic data and unfortunately this has not been received yet as of the date of this publication. |
| Your Move Buy to Let index (rents - London) | | £1,262 | 0.2% ↑ | -0.9% ↓ | |
| ONS House Price Index (Average Price - National) | | £234,853 | 0.8% ↑ | 1.3% ↑ | The average UK house price was £235,000 in the latest report, this is £3,000 higher than the previous year. On a non-seasonally adjusted basis, average house prices in the UK increased by 0.8% since last month, compared with a rise of 0.3% in average prices during the same period a year earlier. |
| ONS House Price Index (Average Price - London) | | £472,753 | -1.3% ↓ | -1.4% ↓ | The lowest annual growth was in London, where prices fell by 1.4%. While still falling over the year, in recent months there has been a strengthening in the annual rate for Inner London, which is now at its highest rate since December 2018 |
| Bank of England Mortgage Approval Rate * | | 65,919 | 0.6% ↑ | 0.5% ↑ | The number of mortgages approved for house purchase in the United Kingdom increased to 65,919 from a revised 65,681 in the previous month and above market expectations of 65,000. |
| Bank of England Base Rate | | 0.75% | 0.0% → | 0.0% → | Following the interest rate hike of 0.25% on the 2nd August 2018, the interest rate remains at 0.75%. |
| RICS Price Expectation Survey | | -2% | 2% ↑ | N/A | The latest RICS UK Survey shows housing sales remaining subdued, and buyer demand and supply slipping into negative territory. Most of the sentiment is blamed on heightened economic and political uncertainty. The market seems unlikely to gain impetus over the next three months, though sentiment for a year ahead is more resilient. |
| HMRC Property Transactions (UK Residential) | | 103,220 | -6.9% ↓ | 6.3% ↑ | Year-on-year, the provisional non-seasonally adjusted estimate of UK residential transactions in September 2019 is approximately 6.3% higher than September 2018. |
| HMRC Property Transactions (UK Residential) * | | 101,740 | 5.0% ↑ | 2.3% ↑ | The provisional seasonally adjusted estimate of UK property transactions for September 2019 was 101,740 residential and 10,500 non-residential transactions, this is 2.3% higher than September 2018, and 5.0% higher than August 2019 |
| CPI - (Consumer Price Index) | | 108.5 | 0.1% ↑ | 1.8% ↑ | The Consumer Prices Index (CPI) 12-month inflation rate was 1.7% in September 2019, unchanged from August 2019. The largest downward contributions to change, came from electricity, gas, fuels and second-hand cars, however this was offset by upward movements from furniture, household appliances, hotel stays, and from recreation and culture items. The Consumer Prices Index including owner occupiers' housing costs (CPIH) 12-month inflation rate was also 1.7% and unchanged from the previous month. |
| Rate of CPI | | 1.7% | N/A | N/A | |
| CML - Total No. of Loans ** | | 126,830 | -0.4% ↓ | -2.9% ↓ | The total number of loans as reported by UK Finance for the latest Mortgage trends report was 126,830. This was down 0.4% on the number of transactions last month and down by 2.9% from the same time last year. Of these: |
| CML - Total value of Loans (£m)** | | £23,900(m) | 0.4% ↑ | -0.8% ↓ | <ul style="list-style-type: none"> • 35,010 were new first-time buyer mortgage (0.7% more than in the same month in 2018). • 35,380 were homemover mortgages (5.5% per cent fewer year-on-year), as well as 36,740 remortgages. • 5,900 were new buy-to-let home purchase mortgages (3.3 per cent less than in the same month a year earlier). • and finally there were 13,800 remortgages in the buy-to-let sector (0.7% per cent fewer than the same month in 2018). |
| CML - Buy to Let: Number of Loans ** | | 19,700 | -5.7% ↓ | -1.5% ↓ | |
| CML - Buy to Let: Value of Loans (£m)** | | £3,100(m) | -3.1% ↓ | 3.3% ↑ | |

* 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: 31 October, 2019.

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