

Property transactions plummet due to lockdown but prices remain stable.

The My Property Consultant Property Index Tracker - June 2020

The data collected is a snapshot of the current and latest official data, however these figures can be lagging behind the current national (and global) crisis. Figures here should be taken in context with relation to the extent of the pandemic.

House Prices

Nationwide & Halifax reported an increase of 1.8% and 2.7% over the last year respectively. The ONS are reporting an increase of 2.1% in the average UK house price based on the smaller dataset to hand.

Rents

The HomeLet Buy-to-Let Rental Index failed to produce any data this month due to insufficient data during the current pandemic.

Lending

Both the BoE Mortgage Approval and 'UK Finance' have failed to release any data for the last 2 months due to the pandemic.

Property transactions

After taking into account seasonal fluctuations the HMRC have reported an annual decrease of 53.7% in transactions compared to last year as the housing market was closed throughout portions of it.

Indicator	12 Month Trendline	Current Value	Monthly/Quarterly % Change	Annual % Change	Comments
Nationwide House Price Growth (National)		£218,902	-1.8% ↓	1.8% ↑	Commenting on the figures, Robert Gardner, Nationwide's Chief Economist, said: "UK house prices fell by 1.7% over the month in May, after taking account of seasonal effects – this is the largest monthly fall since February 2009. As a result, the annual rate of house price growth slowed to 1.8%, from 3.7% in April. "In the opening months of 2020, before the pandemic struck the UK, the housing market had been steadily gathering momentum. Activity levels and price growth were edging up thanks to continued robust labour market conditions, low borrowing costs and a more stable political backdrop following the general election. "But housing market activity has slowed sharply as a result of the measures implemented to control the spread of the virus.... "Behavioural changes and social distancing are likely to impact the flow of housing transactions for some time. Our recent market research survey ¹ suggested that c12% of the population had put off moving as a result of the lockdown. The impact of measures taken to curtail the spread of coronavirus started to filter through to the housing market in April, with average prices falling by 0.8% compared to March, and the annual growth rate easing to 2.7%. The limited number of transactions available means that calculating average house prices will become more challenging with a great deal of volatility until more data becomes available.
Nationwide House Price Growth (National - 3 Month Avg)		£217,911	0.9% ↑	2.5% ↑	
Nationwide House Price Growth (London - 3 Month Avg)		£460,266	0.4% ↑	1.0% ↑	
Halifax House Price Growth (National) *		£238,511	-0.8% ↓	2.7% ↑	
Rightmove Asking Price Growth (National)		£311,950	-	-	
Rightmove Asking Price Growth (G London)		£638,826	-	-	
Homelet Buy to Let index (rents - National)		£959	0.4% ↑	1.8% ↑	No new data has been published by Homelet relating to rental indexes and prices.
Homelet Buy to Let index (rents - London)		£1,673	1.4% ↑	3.7% ↑	
ONS House Price Index (Average Price - National)		£231,855	-0.2% ↓	2.1% ↑	The most recent ONS HPI data relates to the March output and is therefore prior to the full shutdown of the property market. Nevertheless the ONS stress that fewer transactions were available than expected and as a result, there may be increased volatility in the estimates. The latest data shows that average house prices in the UK increased by 2.1% in the year to March 2020, up from 2.0% in the year to February 2020. Over the past three years, there has been a general slowdown in UK house price growth, but there has been a pick-up in annual growth since December 2019.
ONS House Price Index (Average Price - London)		£485,794	1.8% ↑	4.7% ↑	
Bank of England Mortgage Approval Rate *		56,161	-20.8% ↓	-14.7% ↓	No new data from the BoE for the month of April due to the closure of the housing market.
Bank of England Base Rate		0.1%	0.0% →	-86.7% ↓	Following the 2 interest rate drops imposed by the government in March the interest rate remains at an all-time low of 0.1% this month.
RICS Price Expectation Survey		-21%	-30% ↓	N/A	The RICS Residential Market Survey results suggest that the government's ongoing lockdown measures to prevent the spread of the coronavirus are continuing to stifle activity across the housing market. 35% of the survey participants however believe that when the market reopens, prices could be left up to 4% lower, while more than 40% take the view that prices could in fact fall by more than 4%.
HMRC Property Transactions (UK Residential)		38,060	-56.0% ↓	-56.7% ↓	Impacts from COVID-19 are evident within the latest HMRC UK transactions data. UK Government guidance from 26 March 2020 to limit contagion through housing market restrictions has also affected latest data. From 13 May 2020, restrictions were eased allowing market activity to slowly re-commence in England. However the HMRC recorded reduction in activity of 56.75% compared to last year. Taking into account seasonal fluctuations reduces this drop slightly to 53.4%
HMRC Property Transactions (UK Residential) *		46,440	-46.1% ↓	-53.4% ↓	
CPI - (Consumer Price Index)		108.5	-0.1% ↓	0.8% ↑	The Consumer Prices Index (CPI) 12-month rate was 0.8% in April 2020, down from 1.5% in March. The Consumer Prices Index including owner occupiers' housing costs (CPIH) 12-month inflation rate varied slightly this month and was 0.9% in April 2020, down from 1.5% in March 2020. Falling energy and fuel pump prices resulted in the largest downward contributions to the change in the CPIH 12-month inflation rate
Rate of CPI (12 Month Rate)		0.8%	N/A	N/A	
UKF - Total No. of Loans **		111,200	-7.1% ↓	-1.0% ↓	There was no data provided by the UK Finance over the last calendar month again, the data that is currently displayed is the latest available data from the report published 3 months ago.
UKF - Total value of Loans (£m)**		£21,100 (m)	-6.6% ↓	2.9% ↑	
UKF - Buy to Let: Number of Loans **		19,000	-10.8% ↓	9.2% ↑	
UKF - Buy to Let: Value of Loans (£m)**		£3,000 (m)	-14.3% ↓	11.1% ↑	

* 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: 30 May, 2020.

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