

## House prices holding firm at pre-covid levels The My Property Consultant Property Index Tracker - July 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

Halifax have reported an increase of 2.6% over the last year, Rightmove are reporting a 1.9% increase in the corresponding period albeit on a reduced data set for England only (see comments). Nationwide have reported a drop of 0.1% over the last 12 months, but their quarterly data suggests an overall increase of 2.0%.

### Rents

The HomeLet Buy-to-Let Rental Index reports an increase of 2.6% in the national average over the last year. London's figures however are showing a marginal drop of 0.2% over the same period.

### Lending

The Bank of England has reported a drop of transactions of 85.2% compared to this time last year due to the pandemic, whilst UK Finance are still not publishing any data.

### Property transactions

After taking into account seasonal fluctuations the HMRC have reported a decrease in transactions of 49.6% compared to last year as the housing market is still

Indicator	12 Month Trendline	Current Value	Monthly/Quarterly % Change	Annual % Change	Comments
Nationwide House Price Growth (National)		£216,403	-1.1% ↓	-0.1% ↓	Commenting on the figures, Robert Gardner, Nationwide's Chief Economist, said:
Nationwide House Price Growth (National - 3 Month Avg)		£220,133	1.0% ↑	2.0% ↑	"UK house prices fell by 1.4% in the month of June, after taking account of seasonal effects, following a 1.7% fall in May. Annual house price growth slowed to -0.1%, from 1.8% in May. This is the first time that annual house price growth has been in negative territory since December 2012... "With lockdown measures due to be eased in the weeks ahead, housing market activity is likely to edge higher in the near term, albeit remaining below pre-pandemic levels. Nevertheless, the medium-term outlook for the housing market remains highly uncertain. Much will depend on the performance of the wider economy, which will in turn be determined by how the pandemic and restrictions on activity evolve.
Nationwide House Price Growth (London - 3 Month Avg)		£475,448	3.3% ↑	2.1% ↑	
Halifax House Price Growth (National) *		£237,808	-0.3% ↓	2.6% ↑	With the full impact of lockdown measures taking a firm grip on the UK property market by May, the average house price fell by 0.3%. This is the third successive monthly fall, though more modest than in April, and reflects a continued loss of momentum following what was a strong start to the year, we expect market activity to increase progressively as restrictions are eased further across the whole of the UK
Rightmove Asking Price Growth (National)		-	-	-	With insufficient data for the whole of the UK, Rightmove have returned this month with data for England ONLY. Figures suggest that the price of property coming to market in England up by an average of 1.9% (+£6,266), compared to March before the housing market was put on hold. The price is an accurate early indicator of pent-up demand, and this is following through to a rebound in the number of sales agreed in England. New supply is also starting to recover, though there are over 175,000 missing sellers that would have come to market between 24th March and 12th May, when compared to the same period in 2019. Whilst it's still early days, Rightmove's statistics covering 95% of the market indicate far more resilience than had been expected, with a strong initial bounce-back in all metrics.
Rightmove Asking Price Growth (G London)		-	-	-	
Homelet Buy to Let index (rents - National)		£959	-0.9% ↓	2.7% ↑	"The Index returns this month providing a forward-looking view of actual rents being achieved. In many regions of the country, especially away from London and the South East, rents have generally held up well month on month and are universally ahead over the year as a whole. There has been a softening in rents in the short term in the higher average rent regions and, for the first time in almost three years, a negative movement in London compared with a year ago and a much bigger drop from the prior month. Whether this is just a blip due to the pandemic or something more prolonged remains to be seen.
Homelet Buy to Let index (rents - London)		£1,598	-4.2% ↓	-0.2% ↓	
ONS House Price Index (Average Price - National)		£231,855	-0.2% ↓	2.1% ↑	There has been no data released by the ONS since last month's latest report. This report would have reflected the house sales for April due to its data collection lag when the lockdown was at its strictest.
ONS House Price Index (Average Price - London)		£485,794	1.8% ↑	4.7% ↑	
Bank of England Mortgage Approval Rate *		9,273	-83.5% ↓	-85.2% ↓	The number of mortgages approved for house purchase in the United Kingdom plummeted to just 9,273 in May 2020, the lowest level since the series began in 1993 and well below market expectations of 25,000. This was, almost 90 percent below the February level and around a third of their trough during the financial crisis in 2008, due to weakness in the housing market associated with COVID-19.
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		-32%	-11% ↓	N/A	The latest RICS Residential Market Survey results point to a slight improvement in the outlook for sales over the coming twelve months. That said, given the economic uncertainty caused by the pandemic, overall sentiment remains cautious but overall this indicator is consistent with a much more stable demand picture over the month.
HMRC Property Transactions (Uk Residential)		46,230	24.9% ↑	-52.4% ↓	The provisional seasonally adjusted estimate of UK residential property transactions in May 2020 is 48,450, this is 49.6% lower than the previous year but 16.0% higher than last month. The provisional non-seasonally adjusted estimate of UK residential property transactions in May 2020 is 46,230, this is 52.4% lower than May 2019, whilst this falls way short of the values last year we are already starting to see a bounce back from the impact of the lockdown earlier this year.
HMRC Property Transactions (Uk Residential) *		48,450	16.0% ↑	-49.6% ↓	
CPI - (Consumer Price Index)		108.5	0.0% →	0.6% ↑	The Consumer Prices Index (CPI) 12-month rate was 0.5% in May 2020, down from 0.8% in April. The largest upward contributions to the 12-month inflation rate came from recreation and culture (0.23 percentage points) whilst the largest downward contributions were from falling prices for motor fuels and a variety of recreational and cultural goods.
Rate of CPI (12 Month Rate)		0.5%	N/A	N/A	During the same period the Consumer Prices Index including owner occupiers' housing costs (CPIH) 12-month inflation rate was 0.7% in May 2020, down from 0.9% in April 2020.
UKF - Total No. of Loans **		111,200	-7.1% ↓	-1.0% ↓	
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: 04 July, 2020.

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