

UK housing market continues to remain undeterred. The My Property Consultant Property Index Tracker - November 2020

The data collected is a snapshot of the current and latest official data, however these figures can be lagging sometimes. This is because some of the organisations included can take as much as 3 months to collect and process the information.

House Prices

Nationwide, Halifax and Rightmove all reported national increases in house prices over the last 12 months (5.8%, 3.5%, 7.4% respectively). The ONS reported an increase of 3.5% during the same period.

Rents

The HomeLet Buy-to-Let Rental Index reports an increase of 2.2% in the national average over the last year. London's figures however have dropped by 3.7% over the same period.

Lending

The Bank of England reported a relatively modest increase this month of 6.9% compared to previous months, however approvals are at an all time high with the highest volume recorded since the MPC tracker began and 39% increase compared to this time last year.

Property transactions

Following huge increases over the last few months, the latest one being a 20.7% increase, transactions have now reached levels comparable to those seen before the pandemic started.

Indicator	12 Month Trendline	Current Value	Monthly/Quarterly % Change	Annual % Change	Comments
Nationwide House Price Growth (National)		£227,826	0.8% ↑	5.8% ↑	Commenting on the figures, Robert Gardner, Nationwide's Chief Economist, said: "Annual house price growth rose to 5.8% in October – its highest level since January 2015. UK house prices rose 0.8% month-on-month in October after taking account of seasonal effects, following a 0.9% rise in September. Data suggests that the economic recovery has lost momentum in recent months with economic growth slowing sharply to 2.1% in August,.... nevertheless, housing market activity has remained robust. Mortgage approvals for house purchase climbed to 91,500 in September – the highest level since 2007."
Nationwide House Price Growth (National - 3 Month Avg)		£224,337	1.9% ↑	3.5% ↑	"The outlook remains highly uncertain and will depend heavily on how the pandemic and the measures to contain it evolve as well as the efficacy of policy measures implemented to limit the damage to the wider economy. "However, activity is likely to slow in the coming quarters, perhaps sharply, if the labour market weakens as most analysts expect, especially once the stamp duty holiday expires at the end of March."
Nationwide House Price Growth (London - 3 Month Avg)		£480,857	1.1% ↑	4.4% ↑	
Halifax House Price Growth (National) *		£249,870	1.7% ↑	7.4% ↑	Russell Galley, Managing Director, Halifax, said: "The average UK house price is now approaching £250,000 after September saw a third consecutive month of substantial gains. The annual rate of change will naturally draw attention, with the increase of 7.4% the strongest since mid-2016...while it may come later than initially anticipated, we continue to believe that significant downward pressure on house prices should be expected at some point in the months ahead as the realities of an economic recession are felt ever more keenly."
Rightmove Asking Price Growth (National)		£323,530	1.1% ↑	5.5% ↑	The average price of property coming to market increased by 1.1% (+£3,534) this month, to an all time national record of £323,530. This is 5.5% (+£16,818) higher than a year ago, the highest annual growth rate for over four years. The momentum caused by the combination of pent up and new demand has led to new records in several key metrics, and as a result Rightmove forecasts that the annual rate of increase will rise further before the year end and peak at around 7%. The forecasting rulebook has been rewritten in this extraordinary year, with predictions of a post lockdown price plunge in quarter three failing to materialise, and Rightmove's original forecast in December last year of a 2% annual rise for 2020 being too timid. Despite the effective market closure between late March and mid May, 2% more sales have been agreed so far this year than in the same period in 2019, so this is not just a release of delayed pent up demand. There is new demand too, which is continuing at pace, although there are some signs of it easing slightly.
Rightmove Asking Price Growth (G London)		£633,269	0.6% ↑	4.9% ↑	
Homelet Buy to Let index (rents - National)		£974	-1.3% ↓	2.2% ↑	Commenting on this month's data, Martin Totty, chief executive at HomeLet, said: "There's something strange – though maybe not that surprising – happening in the rental sector. In the key Greater London area, it's maybe more about demand falling faster than supply leading to depressed rents, whilst in the regions, perhaps the reverse is more typical, with a tightening of stock 'pinching' demand and moving average rates gradually upwards. And, against all of this we have the backdrop of a more buoyant sales sector, albeit one with a still uncertain outlook beyond next March. Average rents in London are down YOY, showing a 3.7% fall between Oct. 2019 and Oct. 2020, the fifth decrease in annual variance in subsequent months. However, average rental value in London (£1,603) was still 95.2% higher than the rest of the UK exc. London (£821)."
Homelet Buy to Let index (rents - London)		£1,603	-2.6% ↓	-3.7% ↓	
ONS House Price Index (Average Price - National)		£239,196	0.7% ↑	2.5% ↑	UK average house prices increased by 2.5% over the year to August 2020, up from 2.1% in July 2020, this is £6,000 higher than in August 2019. Average house prices in the UK increased by 0.7% between July 2020 and August 2020, compared with an increase of 0.3% in the same period a year ago. On a seasonally adjusted basis, average house prices in the UK increased by 0.5% between July 2020 and August 2020, following a decrease of 0.5% in the previous month.
ONS House Price Index (Average Price - London)		£489,159	0.9% ↑	3.5% ↑	London house prices remain the most expensive at an average of £489,000; this is a joint record high for London, with this price last seen in July 2017.
Bank of England Mortgage Approval Rate *		91,454	6.9% ↑	39.0% ↑	The number of mortgages approved for house purchases in the United Kingdom jumped to 91,454 in September 2020, easily beating forecasts of 76,100, as the housing market continued to show signs of recovery. This was the highest number of approvals since September 2007, and was 24 percent higher than approvals in February 2020.
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		61%	48% ↑	N/A	The latest RICS Survey results continue to point to a strong upturn in activity across the market, as indicators on enquiries, agreed sales and new listings all remain strongly positive. Nevertheless, respondents still foresee sales weakening further ahead amid the challenging macro economic environment, evidenced by the 12 month expectations series moving deeper into negative territory in the latest returns.
HMRC Property Transactions (Uk Residential)		101,920	20.7% ↑	2.4% ↑	The adjusted estimate of UK residential transactions in September 2020 is 101,920, this 2.4% higher than September 2019 and 20.7% higher than the previous month. Accounting for seasonal adjustments the UK residential transactions is 98,010, which is very similar to September 2019 at only 0.7% lower and 21.3% higher than August 2020. We are now seeing levels of activity comparable to pre-covid levels both in actual figures and more importantly after seasonal adjustments having been made with the adjusted figures exactly the same as it was in Jan 2020 and slightly below that of February.
HMRC Property Transactions (Uk Residential) *		98,010	21.3% ↑	-0.7% ↓	
CPI - (Consumer Price Index)		109.2	0.6% ↑	0.6% ↑	The Consumer Prices Index (CPI) 12-month rate was 0.5% in September 2020, up from 0.2% in August. Transport costs, and restaurant and café prices, following the end of the Eat Out to Help Out scheme, made the largest upward contributions. This was partially offset by smaller downward contributions from furniture, household equipment and maintenance; games, toys and hobbies; and food and non-alcoholic beverages.
Rate of CPI (12 Month Rate)		0.5%	N/A	N/A	The Consumer Prices Index including owner occupiers' housing costs (CPIH) 12-month inflation rate was 0.7% in September 2020, up from 0.5% in August 2020.

* 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: 03 October, 2020.

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