

19/07/2012

The **Halifax Housing Market Confidence Tracker** monitors public sentiment towards the housing market. The June survey was conducted by Ipsos MORI on behalf of Halifax. Interviewing took place between 22nd and 28th June 2012.

## **Brits remain optimistic about prospects for the UK housing market**

**More Brits expect house prices to rise than fall over the coming twelve months, according to the latest quarterly Halifax Housing Market Confidence tracker.** Just over a third (34%) forecast that the average UK house price will rise over the next year, whilst almost a fifth of respondents (19%) predict a decline in prices over the same period.

Nonetheless, the headline House Price Outlook balance (i.e. the difference between the proportion of people that expect house prices to rise rather than fall) eased from +19 percentage points in March to +15 in June. Despite this slight weakening, confidence in house price prospects remains higher than at the beginning of the year with the House Price Outlook balance in June more than double the +7 in January.

### **Martin Ellis, housing economist at Halifax, commented:**

"Confidence in the housing market has weakened a little over the last three months, reflecting the increased uncertainty regarding the economic outlook. The public's confidence in the housing market, however, has been very resilient so far this year. This is, consistent with the broad house price stability experienced over the first half of 2012.

"Overall, we expect little change in prices and sales over the remainder of the year provided that the UK's economic outlook does not deteriorate significantly."

### **Southern England and Wales are the most optimistic**

Those living in London and Wales are the most confident about the prospects for the housing market with an overall net balance of +25 in both in June. These areas are followed by the South East (+22) and the East of England (+21). In contrast, those in the East Midlands (+2) have the least positive outlook for house prices, followed by the North East (+4). (*See Table 1*)

Eight of the eleven tracked regions saw a weakening in their headline House Price Outlook balance between March and June. The South West recorded the biggest fall (-17), followed by the East Midlands (-15).

Wales (+13) and the West Midlands (+8) were the only regions to see a positive increase in sentiment in their headline House Price Outlook balance.

### **Concerns over job security and raising a deposit constrain housing demand**

More than half the respondents highlighted the challenges in raising a deposit (58%) and concerns about job security (56%) as the main barriers to buying a home. Respondents also picked out household finances and the general availability of mortgages (both 31%) as major hurdles to home buying.

**For further information please contact:**

**Halifax Press Team:**

Emma Partridge: 01902 325180 / 07824471951 [emmapartridge1@halifax.co.uk](mailto:emmapartridge1@halifax.co.uk)

Shella Ali: 0207 356 2014 / 07795 611154 [shella.ali@lloydsbanking.com](mailto:shella.ali@lloydsbanking.com)

19/07/2012

## ADDITIONAL FINDINGS:

### Men are more optimistic than women about house price prospects

38% of men predict that house prices nationally will increase in the next 12 months compared with 32% of women. The headline House Price Outlook balance for men stands at +17 percentage points (38% minus 21%) compared with +13% percentage points for women (32% minus 19%).

### The young are most optimistic over the outlook for house prices

16-24 year olds and 25-34s are the most optimistic regarding house prices with an overall net balance of +26 among each age group in June. In contrast, 45-54 year olds (+5) have the least positive outlook for house prices.

### Public opinion continues to point to a buyers' market

Over half of respondents (54%) think that it will be a good time to buy in the next 12 months. This is more than three and a half times the proportion of Britons that feel it will be a good time to sell (15%). Overall, just over 1 in 10 of those questioned (12%) were positive about both buying and selling over the next year, suggesting that the level of housing market activity is likely to remain subdued.

### Decline in the proportion of Britons expecting rents to rise in 2012

61% of respondents forecast that the cost of private sector renting will increase over the next year. Whilst this is down from 71% of respondents in March's survey, the proportion of Britons that think rental costs will increase over the next 12 months remains substantially higher than the proportion who thinks that rents will fall (61% against 4%).

**Table 1: Headline House Price Outlook Net Balance by Region**

	March 2012*	June 2012*	Change March-June 2012
South West	+24	+7	-17
East Midlands	+17	+2	-15
East	+26	+21	-5
North West	+19	+14	-5
London	+29	+25	-4
Scotland	+10	+6	-4
North East	+6	+4	-2
South East	+23	+22	-1
Yorkshire and Humber	+11	+11	0
West Midlands	+11	+19	8
Wales	+12	+25	13
<b>GB</b>	<b>+19</b>	<b>+15</b>	<b>-4</b>

Sources: Halifax, Ipsos MORI

**For further information please contact:**

**Halifax Press Team:**

Emma Partridge: 01902 325180 / 07824471951 [emmapartridge1@halifax.co.uk](mailto:emmapartridge1@halifax.co.uk)

Shella Ali: 0207 356 2014 / 07795 611154 [shella.ali@lloydsbanking.com](mailto:shella.ali@lloydsbanking.com)

# Press Release



19/07/2012

\*Net balance of the % of respondents that expect the average UK house price to rise over the next 12 months compared to those that expect house prices to fall.

## **Editors' Notes:**

### **Methodology:**

The Halifax Housing Market Confidence tracker monitors public sentiment towards the housing market. The survey, conducted by Ipsos MORI on behalf of Halifax, was undertaken between 22nd and 28th June 2012.

Survey respondents were asked about property, defined as "house, flats, apartments and all types of accommodation". Interviews were undertaken face to face with a representative sample of 1,960 British adults aged 16+ across Britain. Data are weighted to the national population profile by age, sex, working status, region, ethnicity, and tenure.

Results are subject to sampling tolerances e.g.  $\pm 2$  for a 50% finding based on 1,960 adults (95% confidence level).

Full detail on the survey methodology, sampling tolerances, questionnaire and findings can be found at: [www.ipsos-mori.com/](http://www.ipsos-mori.com/)

Housing Economics Helpline No: 08456 045404  
Email: [housingeconomics@lloydsbanking.com](mailto:housingeconomics@lloydsbanking.com)

"This report is prepared from information that we believe is collated with care, however, it is only intended to highlight issues and it is not intended to be comprehensive. We reserve the right to vary our methodology and to edit or discontinue/withdraw this, or any other report. Any use of this report for an individual's own or third party commercial purposes is done entirely at the risk of the person making such use and solely the responsibility of the person or persons making such reliance. "© Bank of Scotland plc all rights reserved 2012.

**For further information please contact:**

### **Halifax Press Team:**

Emma Partridge: 01902 325180 / 07824471951 [emmapartridge1@halifax.co.uk](mailto:emmapartridge1@halifax.co.uk)

Shella Ali: 0207 356 2014 / 07795 611154 [shella.ali@lloydsbanking.com](mailto:shella.ali@lloydsbanking.com)