

ANNUAL HOUSE PRICE GROWTH HOLDS STEADY AT 2.6%



+2.6%

Annual change

+1.6%

Quarterly change

-1.6%

Monthly change

£233,181

Average Price

- House prices in the three months to March were 2.6% higher than in the same three months a year earlier
- In the latest quarter (January to March) house prices were 1.6% higher than in the preceding three months (October to December)
- On a monthly basis, house prices fell by 1.6%
- The average house price is now £233,181

Russell Galley, Managing Director, Halifax, said:

“The average UK house price is now £233,181 following a 1.6% monthly fall in March. This reduction partly corrects the significant growth seen last month and again demonstrates the risk in focusing too heavily on short-term, volatile measures. Industry-wide figures show that the number of mortgages being approved remains around 40% below pre-financial crisis levels, and we know that lower levels of activity can lead to bigger price movements.”

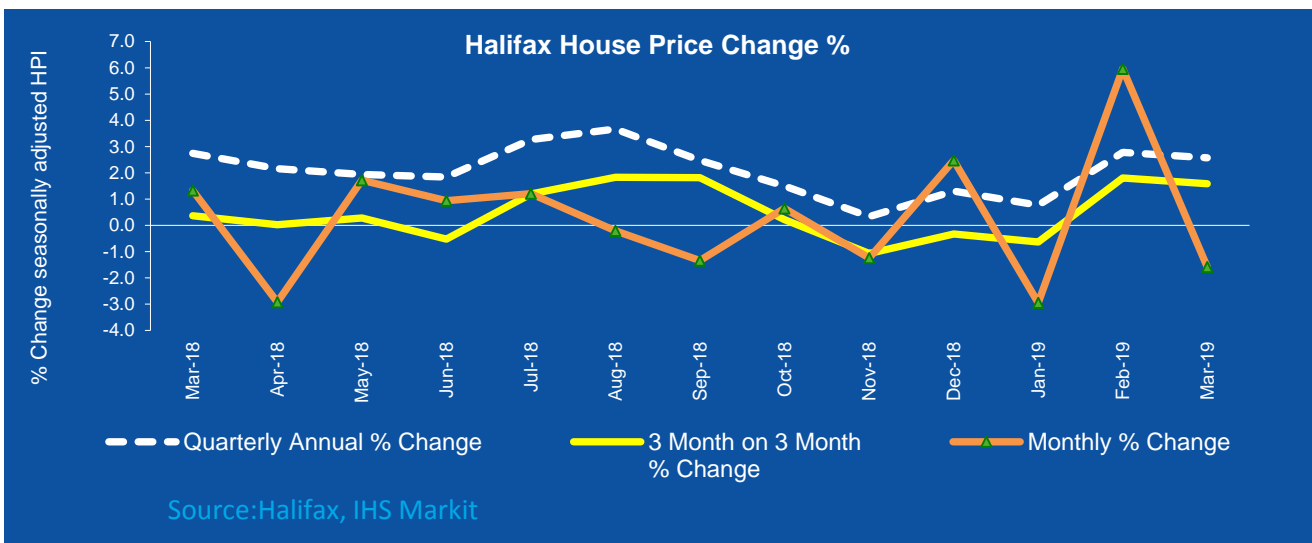
“The more stable measure of annual house price growth held steady at 2.6% and is still within our expectation for the year. The need to build up a deposit before getting a mortgage is still a challenge for many looking to buy a property. However, the combined effect of fewer houses for sale and fewer people looking to buy continues to support prices in the long-term.”

“These conflicting challenges, when combined with the ongoing uncertainty around Brexit, have had an impact across the country but most notably in London, meaning that we continue to expect subdued price growth for the time being.”

KEY FACTS

HOUSING ACTIVITY

- **Monthly UK home sales remain steady.** February saw 101,780 home sales, which, as for January, was very close to the 5 year average of 101,135. When comparing sales in December to February, against September to November there is a 0.4% drop. February home sales were 2.8% above the previous 12 month average. (Source: HMRC, seasonally-adjusted figures)
- **In February mortgage approvals fell compared to January.** Bank of England industry-wide figures show that the number of mortgages approved to finance house purchases – a leading indicator of completed house sales - fell 3.5% to 64,337. This compares to a rise of 3.6% in the previous month. As a result, the mortgage approval figure is back to being very close to the December figure. The February rate is 1892 below the 5 year average monthly approval rate of 66,229, and is 740 below the previous 12 month average. (Source: Bank of England, seasonally-adjusted figures)
- **Demand for and supply of housing remains subdued.** The RICS UK Residential Market Survey again showed a drop on nearly every measure reviewed. The average stock per surveyor is now 41.7, and is now at its lowest ever level. New enquiries, instructions and sales all fell again in the month. Price expectations and sales expectations showed a small improvement compared to January, but both expectations remain firmly negative. (Source: Royal Institution of Chartered Surveyors' (RICS) monthly report)





UK HOUSE PRICES

HISTORICAL DATA

All Houses, All Buyers (Seasonally Adjusted)

Period	¹ Index 1983=100	² Standardised Average Price £	Monthly Change %	Quarterly Change %*	Annual Change %**
Mar	737.1	227,752	1.3	0.4	2.7
Apr	715.6	221,108	-2.9	0.0	2.2
May	727.9	224,909	1.7	0.3	1.9
Jun	734.8	227,027	0.9	-0.5	1.8
Jul	743.7	229,776	1.2	1.2	3.3
Aug	742.1	229,284	-0.2	1.8	3.7
Sep	732.2	226,219	-1.3	1.8	2.5
Oct	736.9	227,694	0.7	0.2	1.5
Nov	727.8	224,860	-1.2	-1.1	0.3
Dec	745.8	230,430	2.5	-0.3	1.3
Jan	723.8	223,629	-3.0	-0.6	0.8
Feb	766.9	236,954	6.0	1.8	2.8
Mar	754.7	233,181	-1.6	1.6	2.6

EDITORS' NOTES

* House price data on a quarterly basis provides the clearest indication of overall market trends, smoothing out the monthly volatility caused by the reduced number of monthly transactions used to calculate all house price indices.

** The annual change numbers are the quarterly non-seasonally adjusted year-on-year figures. These figures provide a better picture of underlying trends compared to a monthly year-on-year number as they smooth out any short-term fluctuations.

1. INDEX

The standardised index is seasonally adjusted using the U.S. Bureau of the Census X-11 moving-average method based on a rolling 84-month series. Each month, the seasonally adjusted figure for the same month a year ago and last month's figure are subject to revision.

2. STANDARDISED AVERAGE PRICE

The standardised average price is calculated using the HPI's mix adjusted methodology.

FOR FURTHER INFORMATION PLEASE CONTACT:

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ABOUT THE HALIFAX HOUSE PRICE INDEX

The Halifax House Price Index is the UK's longest running monthly house price series with data covering the whole country going back to January 1983. From this data, a "standardised" house price is calculated and property price movements on a like-for-like basis (including seasonal adjustments) are analysed over time. The annual change is calculated as an average for the latest three months compared with the same period a year earlier. These figures provide a better picture of the underlying trend compared to a monthly year-on-year number as they smooth out any short-term fluctuations.

For more information on our housing market research, visit <http://www.halifax.co.uk/house-price-index>

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