

# House Price Index



07/06/2019

## Average house price in May edges up to £237,837



**£237,837**

Average price

**+0.5%**

Monthly change

**+2.5%**

Quarterly change

**+5.2%**

Annual change

- On a monthly basis, house prices rose by 0.5%
- In the latest quarter (March to May) house prices were 2.5% higher than in the preceding three months (December to February)
- House prices in the three months to May were 5.2% higher than in the same three months a year earlier

May's annual change figure of 5.2% comes against the backdrop of a particularly low growth rate in the corresponding period in 2018, which has had an impact on year-on-year comparisons.

### **Russell Galley, Managing Director, Halifax, said:**

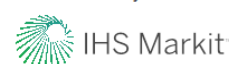
“We saw a slight increase in house prices between April and May, but the overall message is one of stability. Despite the ongoing political and economic uncertainty, underlying conditions in the broader economy continue to underpin the housing market, particularly the twin factors of high employment and low interest rates.

“This is supported by industry-wide figures which suggest no real change in the number of homes being sold month to month, while Bank of England data show the number of mortgages being approved rose by almost 6% in April, reversing the softness seen in the previous month.

“While current conditions may help those looking to make their first move onto the property ladder, existing homeowners will doubtless be considering long-term house price growth which continues to look subdued in comparison to recent years.

“Looking ahead, we expect the current trend of stability based on high employment and low interest rates to persist over the coming months, though clearly any downturn in the wider economy would be keenly felt in the housing market.”

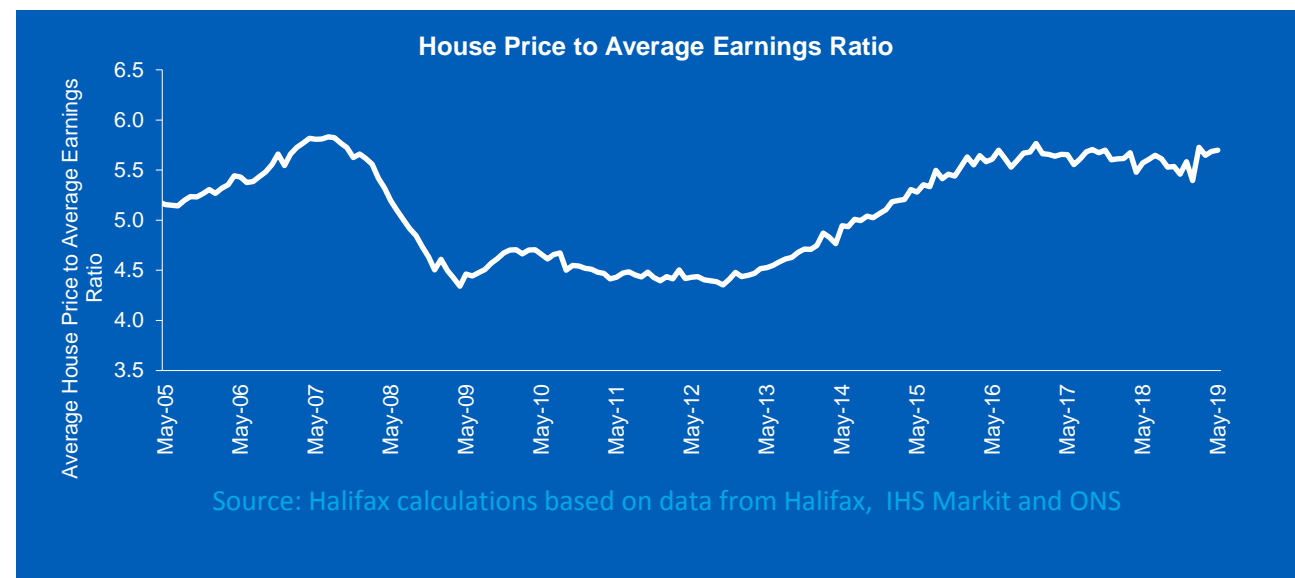
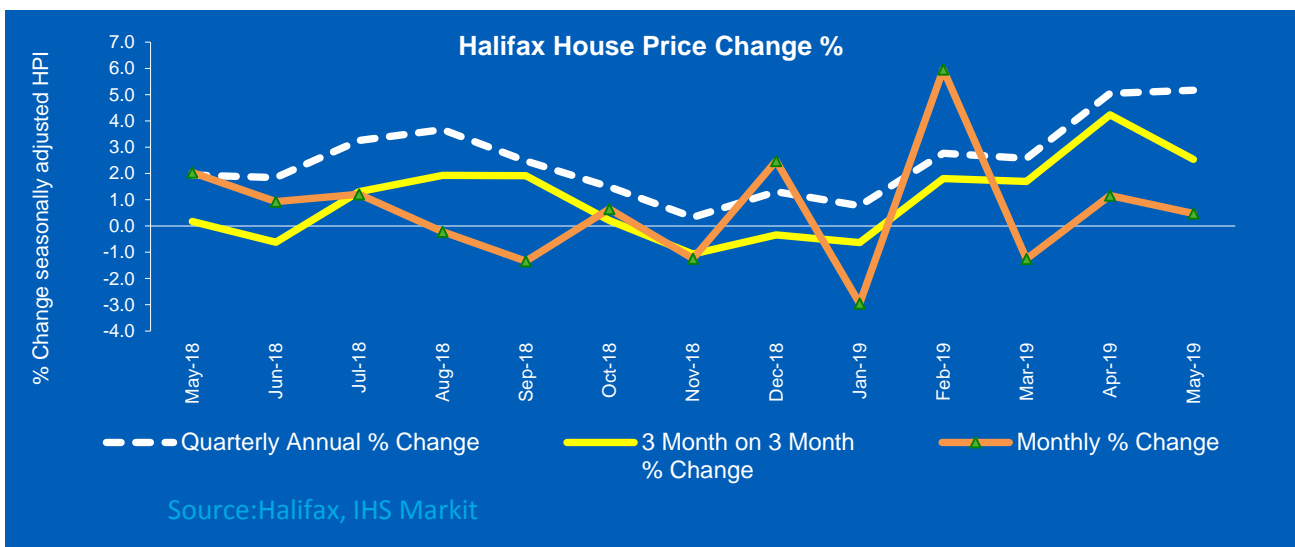
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# Key facts

## Housing activity

- HMRC Monthly data shows UK home sales remaining steady.** April saw 99,420 home sales which is close to the 5 year average of 101,249 and follows a similar result in March. Sales in February to April fell 0.2%, against the levels in November to January. April home sales were flat against the previous 12 month average of 99,322. (Source: HMRC, seasonally-adjusted figures)
- Mortgage approvals rise back above the 12 month and 5 year averages.** Bank of England industry-wide figures show that the number of mortgages approved to finance house purchases – a leading indicator of completed house sales – rose 5.9% in April to 66,261. The April rate is just above the 5 year average monthly approval rate of 66,066, and is 1,118 above the previous 12 month average of 65,143. While this is a notable change on a monthly basis, the approval level is still very close to the longer term averages. (Source: Bank of England, seasonally-adjusted figures)
- Demand for and supply of housing remains subdued for another month.** The RICS UK Residential Market Survey again showed a subdued result for nearly every measure. The sales to stock ratio dropped slightly to 30.7% and is, as last month, at its lowest rate since September 2013. Price expectations and sales expectations showed a small improvement, for the third month running, 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	<sup>1</sup> Index 1983=100	<sup>2</sup> Standardised Average Price £	Monthly Change %	Quarterly Change %*	Annual Change %**
May 2018	728.0	224,925	2.0	0.2	1.9
Jun	734.8	227,027	0.9	-0.6	1.8
Jul	743.7	229,776	1.2	1.3	3.3
Aug	742.1	229,284	-0.2	1.9	3.7
Sep	732.2	226,219	-1.3	1.9	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 2019	723.8	223,629	-3.0	-0.6	0.8
Feb	766.9	236,954	6.0	1.8	2.8
Mar	757.3	233,995	-1.3	1.7	2.6
Apr	766.1	236,712	1.2	4.2	5.0
May	769.8	237,837	0.5	2.5	5.2

### 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.

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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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