

## ANNUAL HOUSE PRICE GROWTH EASES TO 3.9%



**+3.9%**

Annual change

**+0.5%**

Monthly change

**+2.4%**

Quarterly change

**£226,821**

Average Price

- House prices in the last three months (September-November) were 2.4% higher than in the previous quarter (June-August). This is the fastest price growth, on this measure, since January.
- Prices in the three months to November were 3.9% higher than in the same three months a year earlier although the annual change in November was lower than in October (4.5%).
- House prices rose by 0.5% between October and November, following a 0.3% increase in October marking the fifth consecutive monthly rise. The average price of £226,821 is 3.2% higher than in January (£219,741).

**Russell Galley, Managing Director, Halifax Community Bank, said:**

*“Whilst the annual rate of growth eased in November, with the first decline in this measure since July, when looking at quarterly change prices in the three months to November were marginally higher than in the preceding three months; the fourth consecutive quarterly increase..*

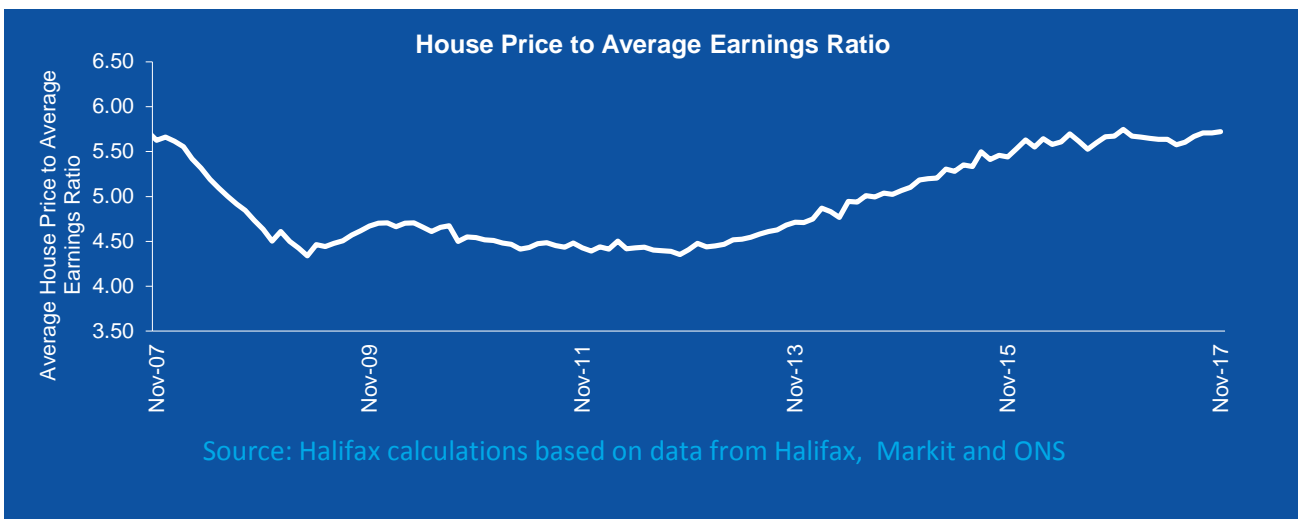
*“The imbalance between supply and demand continues to support house prices, which doesn’t look like changing in the near future. Further ahead, increasing affordability issues, as price increases continue to outstrip wage growth, are likely to curb housing demand and cause price growth to ease. We do expect the Government’s first-time buyer Stamp Duty changes to provide some stimulus to demand, particularly in London and the South East where the impact is greatest.”*

# KEY FACTS

## HOUSING ACTIVITY

- **Monthly UK home sales reach their highest level this year.** Home sales grew by a modest 2% to 105,260 in October to reach their highest monthly level in 2017. Sales have remained above 100,000 in all months this year. In the three months to November home sales were 7% higher than in the same period a year earlier. (Source: HMRC, seasonally-adjusted figures)
- **Mortgage approvals for house purchases weakened in October for the third month.** There were 64,575 mortgage approvals – a leading indicator of completed house sales – in October down from 66,111 in September, a decline of 2.3%. Since reaching the second highest monthly level this year in July approvals have fallen in three consecutive months. (Source: Bank of England, seasonally-adjusted figures)
- **Decline in instructions for sale - but the imbalance between supply and demand continues.** Following a couple of months in which new instructions had held broadly stable, the latest data shows the supply of homes for sale sharply deteriorating. On this measure, supply has now fallen in 20 consecutive months to October. On the demand side, new buyer enquiries weakened in both September and October, marking the seventh consecutive month this measure has fallen. (Sources: Royal Institution of Chartered Surveyors' (RICS) monthly report)
- **The value of the UK's private housing stock in 2017 was estimated at £6 trillion\*.** This compares with £4.1 trillion in 2007; an increase of £1.9 trillion – or 48% - over the past decade, according to recent research from Halifax. The increase of £1.9 trillion since 2007 is equivalent to almost £70,000 per household in the owner-occupied and private rented sectors.

\* Before deducting for mortgage outstanding balances



# UK HOUSE PRICES

## HISTORICAL DATA

All Houses, All Buyers (Seasonally Adjusted)

	Index 1983=100	Standardised Average Price £	Monthly Change %	Quarterly Change %*	Annual Change %**
	1	2			
Period					
Nov 2016	708.2	218,815	0.4	1.3	6.0
Dec	719.1	222,190	1.5	2.8	6.5
Jan 2017	711.2	219,741	-1.1	2.5	5.7
Feb	711.5	219,839	0.0	1.5	5.1
Mar	711.3	219,788	0.0	0.1	3.8
Apr	711.6	219,855	0.0	-0.2	3.8
May	713.7	220,515	0.3	-0.2	3.3
Jun	707.1	218,477	-0.9	-0.1	2.6
Jul	711.8	219,918	0.7	-0.1	2.1
Aug	722.6	223,271	1.5	0.2	2.6
Sep	728.4	225,070	0.8	1.4	4.0
Oct	730.4	225,664	0.3	2.3	4.5
Nov	734.1	226,821	0.5	2.4	3.9

### 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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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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