

28/07/2014

This is the 13th **Halifax Housing Market Confidence Tracker** and monitors public sentiment towards the housing market.

## Sentiment towards buying cools but Brits remain confident in the sales market

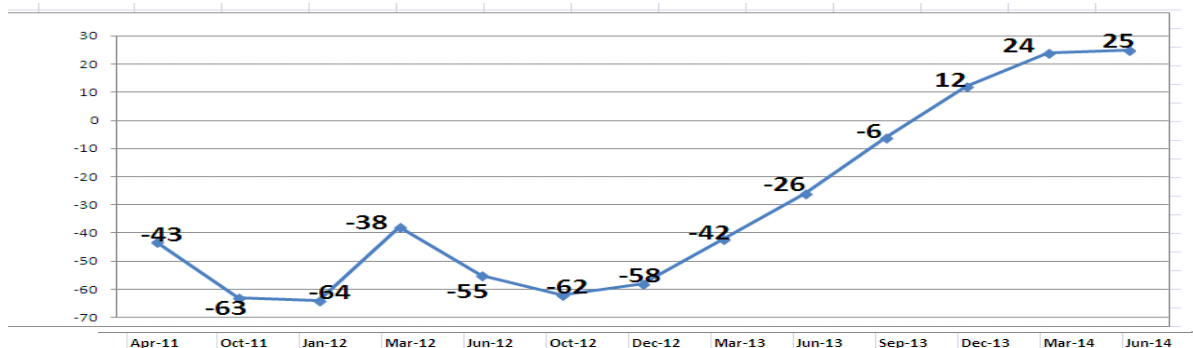
Measure	Net balance Q2 2014	Net balance Q1 2014	Net balance Q2 2013
House price outlook	+66	+65	+66
Good time to sell	+25	+24	+12
Good time to buy	+5	+34	+35

Confidence in the housing market is split: the public have never been more optimistic about house sales, but conversely the outlook for the purchase market is at its lowest level since 2011, according to the latest quarterly Halifax Housing Market Confidence tracker.

The Confidence Tracker indicates that of those surveyed, 57% feel it will be a good time to sell in the next 12 months, exceeding those who think it will be a bad time (32%). This is the highest score of this measure since the survey's inception in April 2011, making a net balance of +25 compared with +12 in Q4 2013 and -6 in Q3 2013. Sentiment towards selling is even stronger among owner occupiers with 63% stating that now is a good time to sell.

In contrast, the proportion of respondents who feel that now is a good time to buy has fallen to a net balance of +5, a fall of 29 points in the last quarter. This is the largest fall in this measure since the tracker's inception in 2011. Positive sentiment fell by 16 points among owner-occupiers between Q1 and Q2 2014 (now at 53%) and those in London and the South East are the most negative.

Positive sentiment towards selling is highest in the East and South East, where 65% think it will be a good time to sell, compared with only 36% who say this in Scotland.\*



Overall net balance of respondents thinking that in the next 12 months it would be a good time for people to sell a property less those who think it will be a bad time for people to sell a property

**Craig McKinlay, Mortgages Director at Halifax, commented:**

#### Halifax Press Team:

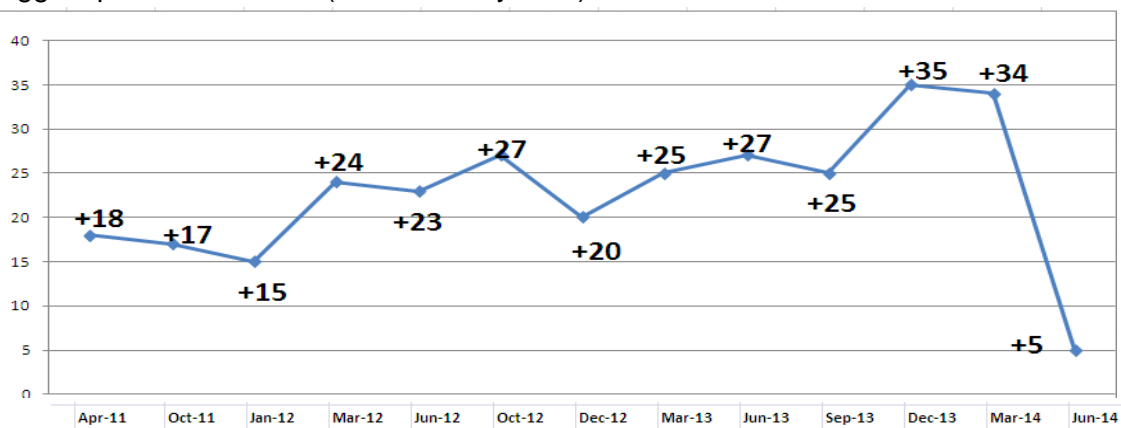
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“Over the past two years consumer confidence has continued to grow, however it appears that we’ve reached a tipping point with the equilibrium between buyers and sellers much more out of sync. The results highlight the regional variations as now people believe that it’s a good time for to sell but not buy, particularly in London and the South East where house price expectations are generally higher and buyers appear to be less inclined to rush into a buying a property as we have seen over the past 12 months.”

### **Is now the right time to buy?**

The report reveals a sharp rise in the number of people identifying rising prices as a barrier to buying – now at 35% (up from 20% a year ago), Concerns about rises in interest rates is on an upward trajectory (up from 13% a year ago to 18%) but, still, deposit-raising remains the biggest perceived barrier (mentioned by 55%).



Overall net balance of respondents thinking that in the next 12 months it would be a good time for people to buy a property less those who think it will be a bad time

### **House price expectations**

Seven in ten British adults (71%) predict the average UK house price will rise over the next year; with 30% expecting it to rise between 5% and 10%, and 15% who think the rise will be even higher. The headline House Price Outlook balance (i.e. the difference between the proportion of people across Britain that expect the average house price to rise rather than fall) remained relatively stable at +66 (compared with +65 in Q1 2014).

### **Headline House Price Outlook (HPO) Net Balance by Region**

	July 2014	March 2014	December 2013
East Midlands	+70	+63	+56
East	+52	+73	+68
London	+74	+75	+79
North East	+51	+65	+52

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# Press Release



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North West	+66	+54	+67
Scotland	+59	+39	+58
South East	+80	+75	+80
South West	+71	+76	+71
Wales	+35	+52	+64
West Midlands	+65	+62	+43
Yorkshire and Humber	+67	+62	+57
<b>GB</b>	<b>+66</b>	<b>+65</b>	<b>+66</b>

Net balance (HPO) 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

*\* Regional analysis: Net balance of respondents thinking that in the next 12 months it would be a good time rather than a bad time for people to sell a property*

Timeframe	East Midlands	Eastern	London	North East	North West	Scotland	South East	South West	Wales	West Midlands	Yorkshire & Humberside
Q3 2011	-78	-56	-40	-68	-67	-63	-61	-62	-73	-71	-74
Q4 2011	-70	-63	-43	-73	-69	-80	-54	-72	-70	-63	-70
Q1 2012	-38	-30	-8	-30	-50	-63	-23	-33	-58	-52	-61
Q2 2012	-63	-59	-44	-61	-63	-67	-37	-60	-68	-53	-53
Q3 2012	-77	-53	-41	-76	-67	-77	-54	-62	-72	-59	-69
Q4 2012	-75	-54	-31	-79	-74	-64	-40	-65	-67	-54	-72
Q1 2013	-33	-27	-18	-64	-46	-63	-36	-57	-61	-34	-52
Q2 2013	-38	-21	-2	-31	-44	-52	-11	-20	-29	-34	-55
Q3 2013	-19	8	4	4	-31	-38	13	6	-11	2	-15
Q4 2013	18	29	44	-8	-10	-33	34	27	3	-1	-4
Q1 2014	26	41	28	-12	5	-14	39	42	24	33	20
Q2 2014	<b>20</b>	<b>44</b>	<b>44</b>	<b>-17</b>	<b>1</b>	<b>-3</b>	<b>55</b>	<b>45</b>	<b>9</b>	<b>11</b>	<b>16</b>

*Net balance of respondents thinking that in the next 12 months it would be a good time rather than a bad time for people to buy a property.*

Timeframe	East Midlands	Eastern	London	North East	North West	Scotland	South East	South West	Wales	West Midlands	Yorkshire & Humberside
Q3 2011	13	11	15	7	6	26	35	35	-11	8	10
Q4 2011	6	18	16	20	4	22	12	34	18	9	15
Q1 2012	29	27	19	37	13	34	23	29	11	24	24
Q2 2012	20	13	3	15	18	25	26	33	11	29	47
Q3 2012	30	28	21	11	14	27	37	31	24	25	41
Q4 2012	30	24	6	38	1	29	28	21	27	15	27
Q1 2013	34	39	28	31	11	11	25	36	34	25	22
Q2 2013	35	44	11	35	11	29	38	43	39	13	25
Q3 2013	27	-7	25	16	20	29	33	31	45	22	35
Q4 2013	36	41	18	50	29	46	48	39	31	32	31
Q1 2014	42	39	4	19	43	28	31	38	62	45	44
Q2 2014	<b>19</b>	<b>-12</b>	<b>-19</b>	<b>29</b>	<b>4</b>	<b>31</b>	<b>-24</b>	<b>28</b>	<b>25</b>	<b>17</b>	<b>6</b>

**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 4<sup>th</sup> – 14<sup>th</sup> July 2014.

Survey respondents were asked about property, defined as “houses, flats, apartments and

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# Press Release



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all types of accommodation". Interviews were undertaken face to face with a representative sample of 1,959 British adults aged 16+ across Britain. Data are weighted to the national population profile by age, sex, working status, social grade, region, ethnicity, and tenure.

Results are subject to sampling tolerances e.g.  $\pm 2$  for a 50% finding based on **1,966** adults. Full detail on the survey methodology, questionnaire and findings can be found at: [www.ipsos-mori.com/](http://www.ipsos-mori.com/) with key findings presented in infographic format.

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