

House Price Index



06/12/2019

Annual house price growth rises to 2.1%



£234,625

Average price

+1.0%

Monthly change

+0.2%

Quarterly change

+2.1%

Annual change

- House prices in November were 2.1% higher than in the same month a year earlier
- On a monthly basis, house prices rose by 1.0%
- In the latest quarter (September to November) house prices were 0.2% higher than in the preceding three months (June to August)

Russell Galley, Managing Director, Halifax, said:

“Average house prices rebounded somewhat in November, with annual growth of 2.1% being driven by the biggest monthly rise since February, following two months of modest falls.

“Prices are now up by £3,904 since the start of the year. While a degree of uncertainty remains evident, it’s also clear that buyers and sellers are responding to factors such as improved mortgage affordability and the limited supply of available properties.

“It is these issues which we believe will continue to underpin the resilience evident in the market for most of 2019. Over the medium term we expect the emerging trend of modest gains to continue into next year.”

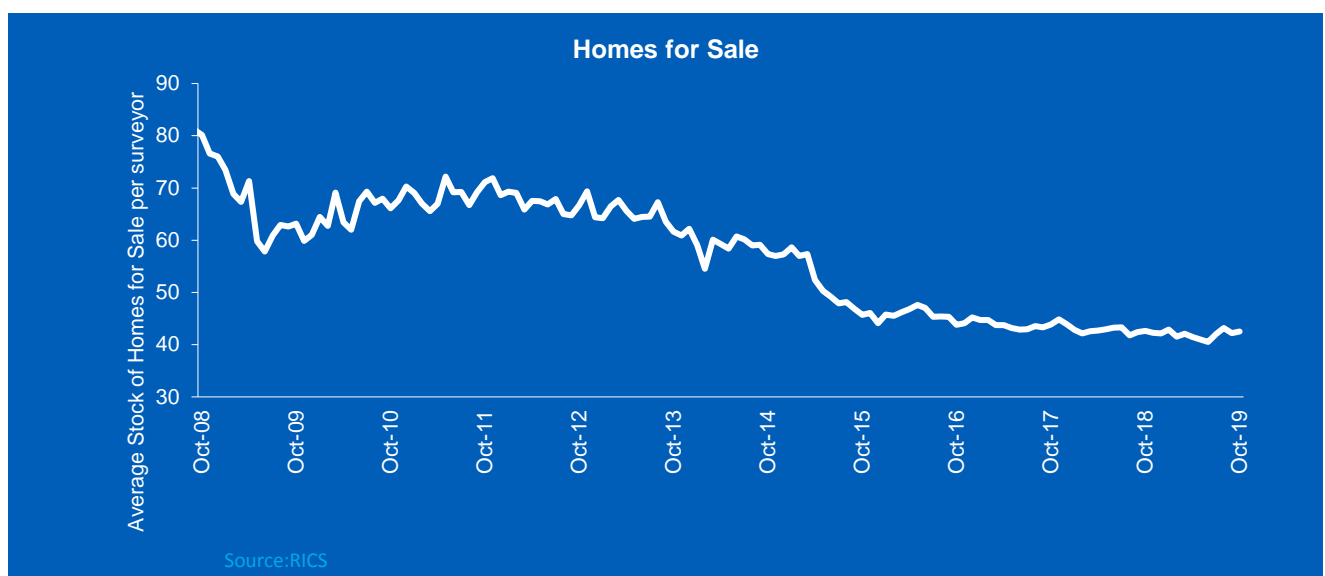
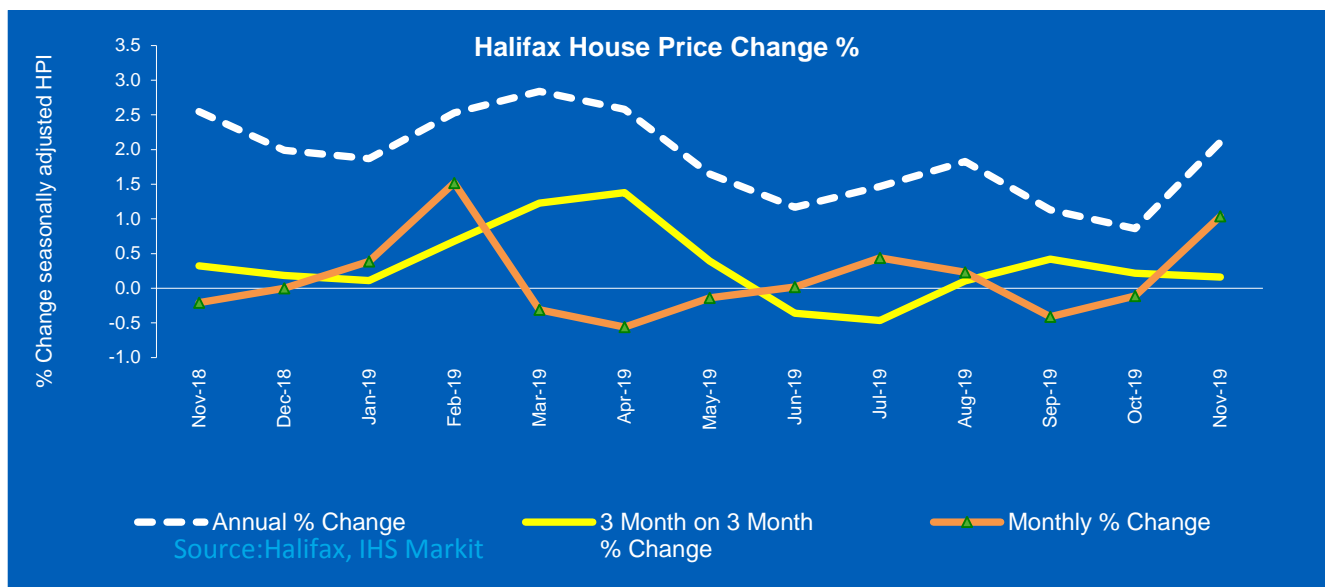
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Key facts

Housing activity

- **HMRC Monthly data shows a rise in UK home sales in October.** UK seasonally adjusted residential transactions in October were 103,680 – up by 4.3% from September and the highest level since July 2017. Year-on-year, transactions in October 2019 were approximately 4.3% higher than October 2018 (4.2% higher on a non-seasonally adjusted basis). (Source: HMRC, seasonally-adjusted figures)
- **Mortgage approvals have fallen slightly from September.** Bank of England figures show that the number of mortgages approved to finance house purchases were 64,602 in October – this represents a 1.8% month on month fall, following a slight rise of 0.3% in September. Year on year growth is -3.3%. (Source: Bank of England, seasonally-adjusted figures)
- The latest set of results (October 2019) for the **RICS Residential Market Survey** have shown new buyer enquiries reportedly falling for the third consecutive month, with a net balance of -16% (-17% in September). Agreed sales continued to fall, with a balance of -19% (-27% previously), with new instructions falling for the fourth consecutive month to a net balance of -29% (-37% in September). Near term sales outlook is less pessimistic with the net balance moving to +5% (-7% in September) (Source: Royal Institution of Chartered Surveyors' (RICS) monthly report)



UK house prices

Historical data

All Houses, All Buyers (Seasonally Adjusted)

Period	¹ Index Jan 1992=100	² Standardised Average Price £	Monthly Change %	Quarterly Change %*	Annual Change %**
Nov 2018	396.3	229,789	-0.2	0.3	2.6
Dec	396.3	229,827	0.0	0.2	2.0
Jan 2019	397.8	230,721	0.4	0.1	1.9
Feb	403.8	234,195	1.5	0.7	2.5
Mar	402.6	233,458	-0.3	1.2	2.8
Apr	400.3	232,146	-0.6	1.4	2.6
May	399.7	231,812	-0.1	0.4	1.7
Jun	399.8	231,855	0.0	-0.4	1.2
Jul	401.6	232,876	0.4	-0.5	1.5
Aug	402.5	233,418	0.2	0.1	1.8
Sep	400.8	232,454	-0.4	0.4	1.1
Oct	400.4	232,201	-0.1	0.2	0.9
Nov	404.6	234,625	1.0	0.2	2.1

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 non-seasonally adjusted year-on-year figures.

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.

Update to methodology

From 6 September 2019, the published Halifax House Price Index has been based on an updated methodology. The previous HPI methodology was used for over 30 years to provide the UK's benchmark house price index. IHS Markit had been working on an updated methodology since last year and closed a consultation with principal users around the update in December 2018. This review and subsequent enhancement ensures that the Halifax House Price Index will continue to be the UK's leading house price benchmark.

The updated model reflects changes to the structure of the housing market and uses best practice in house price determination. It includes more mortgage transaction data for even greater accuracy and reduced volatility on a month to month basis.

For further information on the methodology follow this link to [IHS Markit's website](#)

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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 figure is calculated by comparing the current month non-seasonally adjusted figure with the same month a year earlier.

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

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