

# House Price Index



07/10/2019

## Annual house price growth slows to 1.1%



**£232,574**

Average price

**-0.4%**

Monthly change

**+0.4%**

Quarterly change

**+1.1%**

Annual change

- House prices in September were 1.1% higher than in the same month a year earlier
- On a monthly basis, house prices fell by 0.4%
- In the latest quarter (July to September) house prices were 0.4% higher than in the preceding three months (April to June)

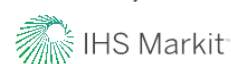
### Russell Galley, Managing Director, Halifax, said:

“Annual house price growth slowed somewhat in September, rising by just 1.1% over the last year. Whilst this is lowest level of growth since April 2013, it remains in keeping with the predominantly flat trend we’ve seen in recent months.

“Underlying market indicators, including completed sales and mortgages approvals, continue to be broadly stable. Meanwhile for buyers, important affordability measures – such as wage growth and interest rates – still look favourable.

“Looking ahead, we expect activity levels and price growth to remain subdued while the current period of economic uncertainty persists.”

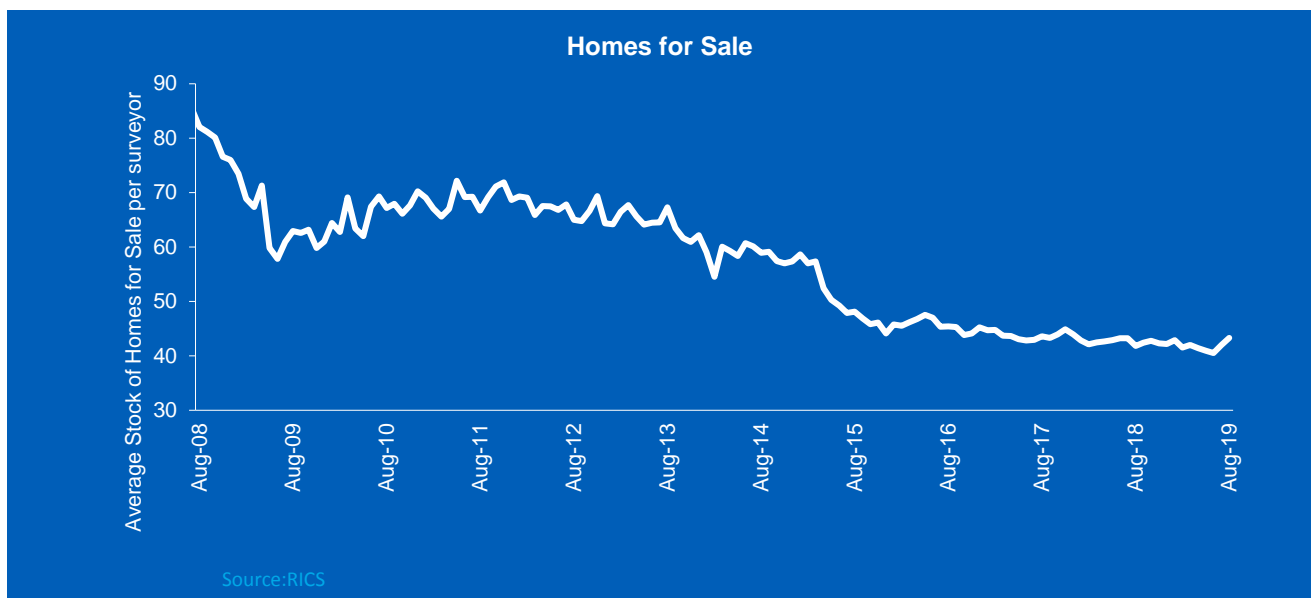
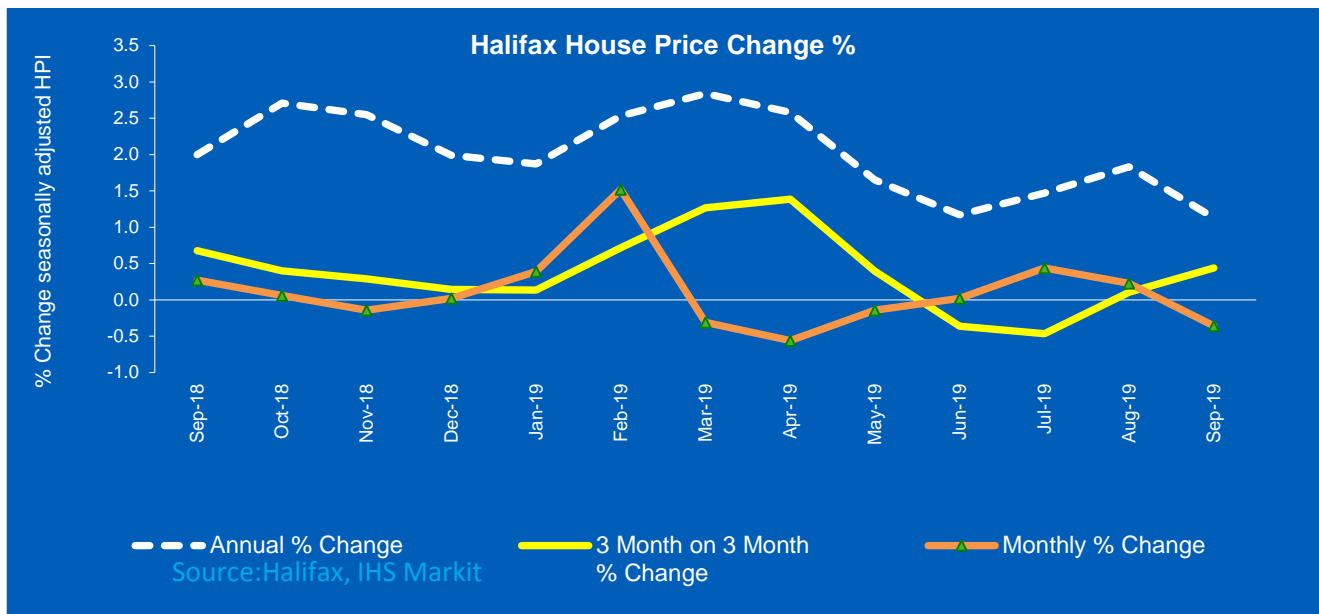
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# Key facts

## Housing activity

- HMRC Monthly data shows a rise in UK home sales in August.** UK seasonally adjusted residential transactions in August were 99,890 – up by 16% from July and the highest level since November 2018. Year-on-year, transactions in August 2019 were approximately 1% higher than August 2018 (-0.4% lower on a non-seasonally adjusted basis). (Source: HMRC, seasonally-adjusted figures)
- Mortgage approvals have fallen slightly from July.** Bank of England figures show that the number of mortgages approved to finance house purchases were 65,545 in August – this represents a 2.2% fall from July. (Source: Bank of England, seasonally-adjusted figures)
- The latest set of results (August 2019) for the **RICS Residential Market Survey** have shown a flatter trend in demand with a net balance of +3% (+6% in July), following a couple of months in which new buyer enquiries increased modestly. Newly agreed sales edged further down into negative territory with a net balance of -8% (from -6% in July). New instructions to sell were more or less flat for the third consecutive month. (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 Jan 1992=100	<sup>2</sup> Standardised Average Price £	Monthly Change %	Quarterly Change %*	Annual Change %**
Sep 2018	396.5	229,930	0.3	0.7	2.0
Oct	396.7	230,077	0.1	0.4	2.7
Nov	396.2	229,801	-0.1	0.3	2.6
Dec	396.3	229,827	0.0	0.1	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	1.3	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	401.1	232,574	-0.4	0.4	1.1

### 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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For historical data or for technical queries please contact [economics@ihsmarkit.com](mailto:economics@ihsmarkit.com)

### 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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