

House Price Index



07/12/2020

House price growth on strongest run since 2004



£253,243

Average price

+1.2%

Monthly change

+3.8%

Quarterly change

+7.6%

Annual change

- On a monthly basis, house prices in November were 1.2% higher than in October
- In the latest quarter (September to November) house prices were 3.8% higher than in the preceding three months (June to August)
- House prices in November were 7.6% higher than in the same month a year earlier – the strongest growth since June 2016

Russell Galley, Managing Director, Halifax, said:

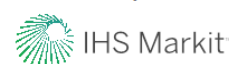
“House prices rose by more than 1% in November, adding almost £3,000 to the cost of a typical UK home. At just over £253,000, the average property price has risen by more than £15,000 since June. In percentage terms that equates to 6.5% - the strongest five-monthly gain since 2004.

“With mortgage approvals at a 13-year high, the current market continues to be shaped by a desire for more space, the move from urban to rural locations and indications of a trend for more home working in the future. And while industry data shows agreed sales and new instructions to sell fell to their lowest in the past five months, both remain at historically high levels and well above seasonal norms.

“As the March deadline for the stamp duty holiday approaches, properties sold to home-movers recorded a much higher rate of annual house price inflation (+7.9%) than first-time buyers (+5.8%). It is interesting to note that the stamp duty saving of £2,500 on a home costing £250,000 is now far outweighed by the average increase in property prices since July.

“The housing market has been much more resilient than many predicted at the outset of the pandemic, and indeed many households remain confident about further price growth next year. However, the economic environment continues to look challenging. With unemployment predicted to peak around the middle of next year, and the UK’s economy not expected to fully recover the ground lost over 2020 for a number of years, a slowdown in housing market activity is likely over the next 12 months.”

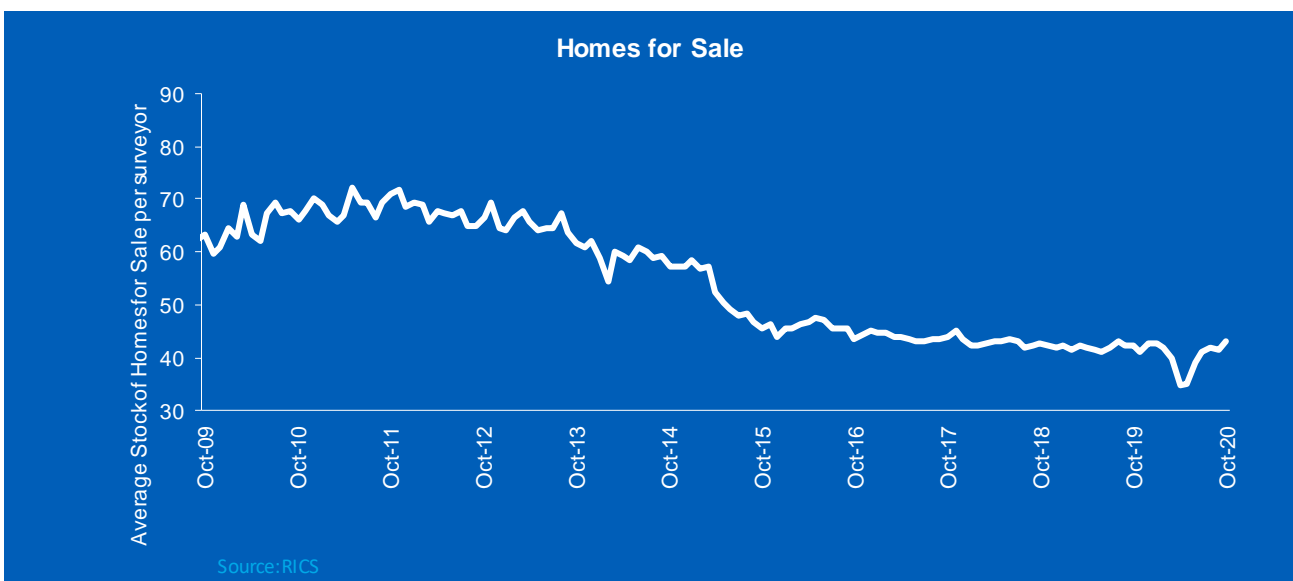
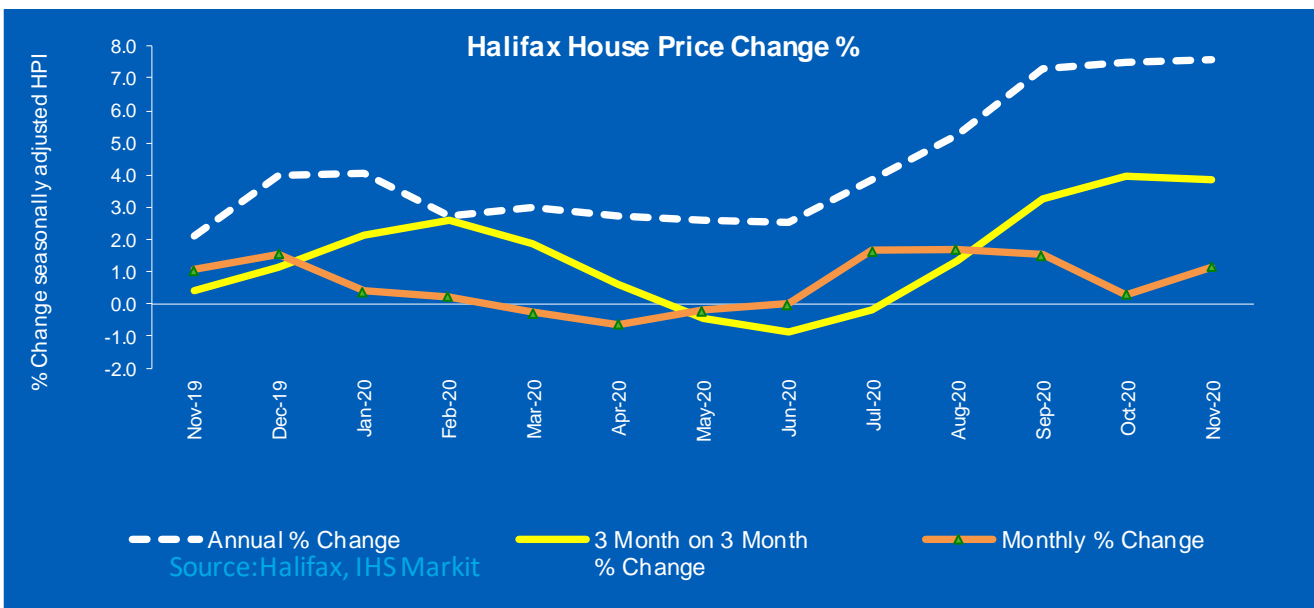
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Key facts

Housing activity

- **HMRC Monthly property transactions data shows a sixth consecutive monthly rise in UK home sales in October.** UK seasonally adjusted residential transactions in October 2020 were 105,630 – up by 9.8% from September. The latest quarterly transactions (August-October 2020) were approximately 55.7% higher than the preceding three months (May-July 2020). Year on year, transactions were 7.3% higher than October 2019 (13.7% higher on a non seasonally adjusted basis). (Source: HMRC, seasonally-adjusted figures)
- **Mortgage approvals rose in October to the highest level seen in 13 years.** The latest Bank of England figures show the number of mortgages approved to finance house purchases rose by 6% to 97,532. Year-on-year, the October figure was 51% above October 2019. Source: Bank of England, seasonally-adjusted figures)
- Results from the latest (October 2020) **RICS Residential Market Survey** show another strong month for housing market activity. New buyer enquiries displayed a net balance of +46% (previously +52% in September), new instructions +32% (+38% previously) and agreed sales +41% (+54% previously). (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 2019	405.8	235,353	1.1	0.4	2.1
Dec	412.1	238,998	1.6	1.2	4.0
Jan 2020	413.7	239,927	0.4	2.2	4.1
Feb	414.7	240,461	0.2	2.6	2.8
Mar	413.6	239,838	-0.3	1.8	3.0
Apr	410.9	238,314	-0.6	0.6	2.7
May	410.2	237,855	-0.2	-0.5	2.6
Jun	410.1	237,834	0.0	-0.9	2.5
Jul	417.0	241,808	1.7	-0.2	3.8
Aug	424.0	245,889	1.7	1.3	5.2
Sep	430.5	249,655	1.5	3.3	7.3
Oct	431.7	250,367	0.3	4.0	7.5
Nov	436.7	253,243	1.2	3.8	7.6

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.
- Household confidence data taken from Halifax House Price Sentiment Tracker for November 2020.

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 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

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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