



Housing market overview

Produced 20 July 2020

This document provides the latest information available from various sources, with dates varying from May – June 2020

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- > Compared to last month's report, we are now seeing a 50/50 split when it comes to month-on-month house price changes (excluding the latest gov.uk & LSL data, which was not available at time of compilation). Both home.co.uk & Rightmove report increases of 0.7% & 1.9% respectively. Whereas both Halifax & Nationwide report decreases of 0.1% & 1.4% respectively. When it comes to annual change Nationwide is our only source that is reporting a decrease, of 0.1%.
- > The recently announced Stamp Duty holiday appears to have delivered a large dose of vim and vigour to home buyers just as they were returning to the fray after lockdown, according to the FT. Buyers will save up to £15,000 as a result of the holiday and Nationwide said that the Stamp Duty changes were a direct factor in their decision to reintroduce 90% loan-to-value mortgages.
- > Rightmove tells us that following the initial shock of the early reopening of the housing market, England is getting moving again with a boom in traffic on the portal. They say there are no signs of panic selling or even a price dip. Some sellers who had agreed a sale before lockdown have been worrying that their buyer may try to re-negotiate with a reduced offer. On this evidence buyers may now be trying to exchange quickly, as there are signs of high pent-up demand and upwards price pressure, rather than downwards.
- > Halifax says activity levels bounced back strongly in June, which is typically the busiest month for mortgage activity in the UK. They say new mortgage enquiries were up by 100% compared to May, and with prospective buyers also revisiting purchases previously put on hold, transaction volumes rose sharply compared to previous months. They do say however, whilst this is encouraging, it remains too early to say if this level of activity will be sustained.
- > Nationwide tells us that housing market activity slowed sharply as a result of lockdown measures implemented to control the spread of the COVID-19. They say while latest data from HMRC showed a slight pickup in residential property transactions from April's low, in May they were still 50% lower than the same month in 2019.

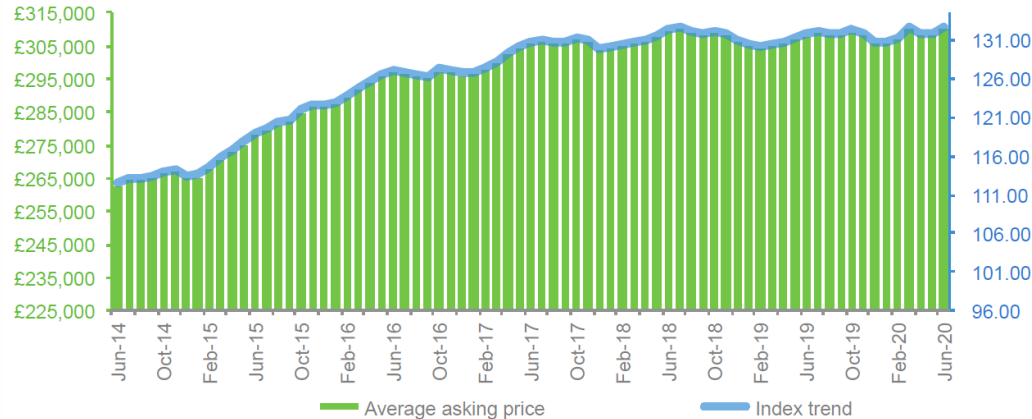
Summary of published price indices

Source website	Period covered	Monthly change (%)	Annual change (%)	Average house price	Official releases
gov.uk UK house price index*	March '20	▼ 0.2	▲ 2.1	£231,855	20.05.2020
LSL Property Services**	February '20	▲ 0.5	▲ 1.0	£303,189	16.03.2020
Halifax	June '20	▼ 0.1	▲ 2.5	£237,616	07.07.2020
home.co.uk	June '20	▲ 0.7	▲ 0.8	£310,819	16.06.2020
Hometrack	May '20	N/A	▲ 2.1	£254,600	24.06.2020
Nationwide	June '20	▼ 1.4	▼ 0.1	£216,403	06.2020
Rightmove	June '20	▲ 1.9	▲ 2.9	£337,884	15.06.2020

*April data not available at time of compiling this report.

**May data not available at the time of compiling this report.

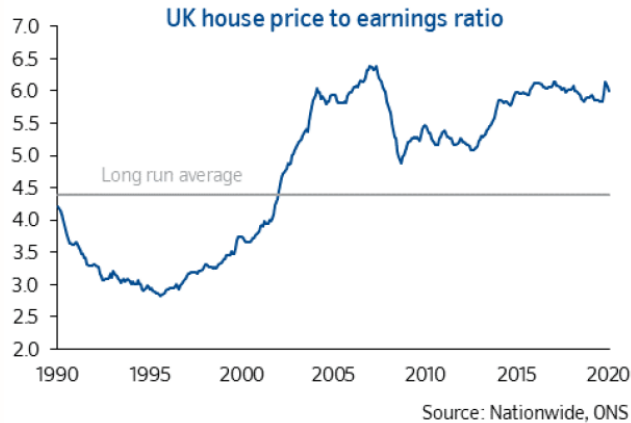
Home asking-price trend for England & Wales



“ Supply of new sales instructions ticks up across the UK in May (but is only 43% of the May 2019 total) as the lockdown eases. ”

Source: [home.co.uk price index](https://home.co.uk/price-index)

UK house-price-to-earnings ratio



The raft of policies adopted to support the economy, including to protect businesses and jobs, to support peoples' incomes and keep borrowing costs down, should set the stage for a rebound once the shock passes, and help limit long-term damage to the economy.

Source: [Nationwide price index](#)

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