

# Nationwide HOUSE PRICE INDEX



[www.nationwide.co.uk/hpi](http://www.nationwide.co.uk/hpi)

January 2019

## Annual house price growth stagnates in January

- Annual house price growth slows to 0.1%
- Modest 0.3% increase month-on-month after taking account of seasonal factors

Headlines	Jan-19	Dec-18
Monthly Index*	426.9	425.8
Monthly Change*	0.3%	-0.7%
Annual Change	0.1%	0.5%
Average Price (not seasonally adjusted)	£211,966	£212,281

\* Seasonally adjusted figure (note that monthly % changes are revised when seasonal adjustment factors are re-estimated)

### Commenting on the figures, Robert Gardner, Nationwide's Chief Economist, said:

"Annual house price growth almost ground to a complete halt in January, with prices just 0.1% higher than the same time last year. This follows a subdued December when price growth slowed to 0.5%.

"Indicators of housing market activity, such as the number of property transactions and the number of mortgages approved for house purchase, have remained broadly stable in recent months, but forward-looking indicators had suggested some softening was likely.

"In particular, measures of consumer confidence weakened in December and surveyors reported a further fall in new buyer enquiries towards the end of 2018. While the number of properties coming onto the market also slowed, this doesn't appear to have been enough to prevent a modest shift in the balance of demand and supply in favour of buyers in recent months.

### Uncertainty exerting a drag on the market

"It is likely that the recent slowdown is attributable to the impact of the uncertain economic outlook on buyer sentiment, given that it has occurred against a backdrop of solid employment growth, stronger wage growth and continued low borrowing costs.

"Near term prospects will be heavily dependent on how quickly this uncertainty lifts, but ultimately the outlook for the housing market and house prices will be determined by the

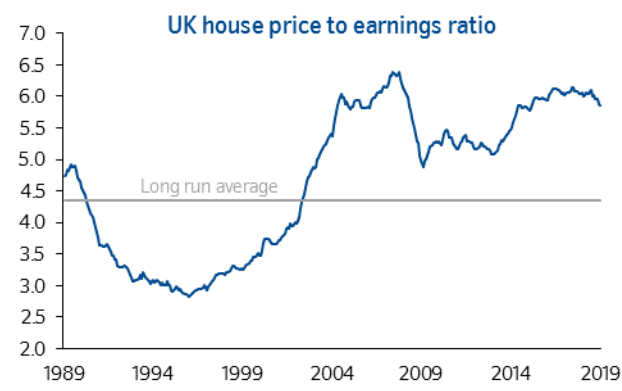
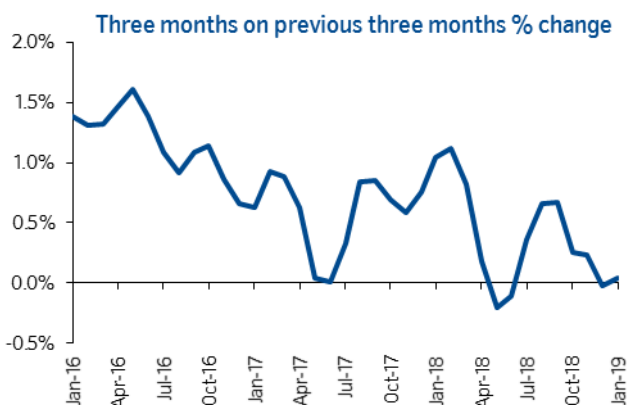
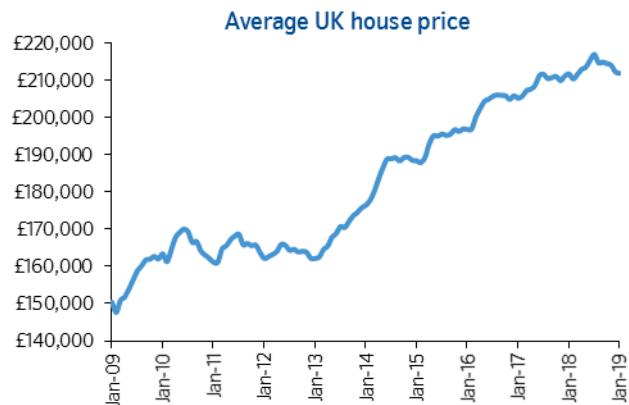
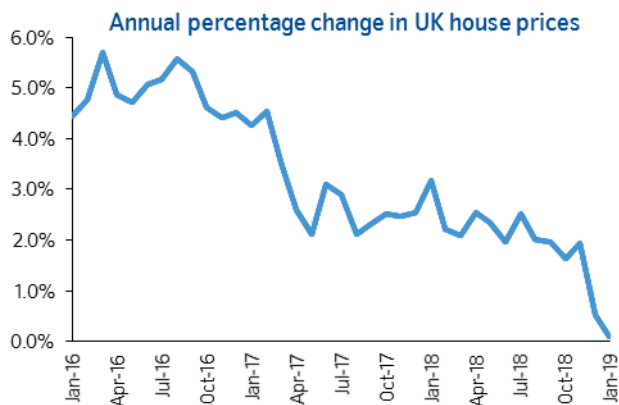
performance of the wider economy – especially the labour market.

"The economic outlook remains unusually uncertain. However, if the economy continues to grow at a modest pace, with the unemployment rate and borrowing costs remaining close to current levels, we would expect UK house prices to rise at a low single-digit pace in 2019."

## Monthly UK House Price Statistics

	Monthly % Change Seasonally Adjusted	3 Month on 3 Month % Change	Annual % Change	Average Price
Jan-17	0.1	0.6	4.3	205,240
Feb-17	0.5	0.9	4.5	205,846
Mar-17	-0.1	0.9	3.5	207,308
Apr-17	-0.4	0.6	2.6	207,699
May-17	-0.1	0.0	2.1	208,711
Jun-17	0.9	0.0	3.1	211,301
Jul-17	0.2	0.3	2.9	211,671
Aug-17	0.0	0.8	2.1	210,495
Sep-17	0.4	0.8	2.3	210,801
Oct-17	0.3	0.7	2.5	211,085
Nov-17	0.1	0.6	2.5	209,988
Dec-17	0.7	0.8	2.6	211,156
Jan-18	0.7	1.0	3.2	211,756
Feb-18	-0.4	1.1	2.2	210,402
Mar-18	-0.2	0.8	2.1	211,625
Apr-18	0.2	0.2	2.6	213,000
May-18	-0.2	-0.2	2.4	213,618
Jun-18	0.5	-0.1	2.0	215,444
Jul-18	0.7	0.4	2.5	217,010
Aug-18	-0.5	0.7	2.0	214,745
Sep-18	0.2	0.7	2.0	214,922
Oct-18	0.0	0.3	1.6	214,534
Nov-18	0.4	0.2	1.9	214,044
Dec-18	-0.7	0.0	0.5	212,281
Jan-19	0.3	0.0	0.1	211,966

Media enquiries to: Robert Gardner, Chief Economist, [robert.gardner@nationwide.co.uk](mailto:robert.gardner@nationwide.co.uk)  
Mike Pitcher, Media Relations Manager, [mike.pitcher@nationwide.co.uk](mailto:mike.pitcher@nationwide.co.uk)



Source: Nationwide, ONS

## Notes

Indices and average prices are produced using Nationwide's updated mix adjusted House Price Methodology, which was introduced with effect from the first quarter of 1995. The data is drawn from Nationwide's house purchase mortgage lending at the post survey approvals stage. Price indices are seasonally adjusted using the US Bureau of the Census X12 method. Currently the calculations are based on a monthly data series starting from January 1991. Figures are recalculated each month which may result in revisions to historical data.

More information on the house price index methodology along with time series data and archives of housing research can be found at <http://www.nationwide.co.uk/about/house-price-index/headlines>

Historical figures including index levels can be viewed using the following link: <http://www.nationwide.co.uk/about/house-price-index/download-data>

Photographs of our economist are available at:

<http://www.nationwide.co.uk/about/media-centre-and-specialist-areas/media-centre/photo-library>

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Media enquiries to: Robert Gardner, Chief Economist, [robert.gardner@nationwide.co.uk](mailto:robert.gardner@nationwide.co.uk)  
Mike Pitcher, Media Relations Manager, [mike.pitcher@nationwide.co.uk](mailto:mike.pitcher@nationwide.co.uk)