

Nationwide HOUSE PRICE INDEX



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March 2019

UK house price growth remained soft in March

- Annual house price growth remained subdued at 0.7% in March
- Modest 0.2% price rise during the month, after taking account of seasonal factors
- Annual price falls in London and the South East

Headlines	Mar-19	Feb-19
Monthly Index*	427.1	426.4
Monthly Change*	0.2%	0.0%
Annual Change	0.7%	0.4%
Average Price (not seasonally adjusted)	£213,102	£211,304

* 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:

"UK house price growth remained subdued in March, with prices just 0.7% higher than the same month last year.

"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, even though survey data suggests that sentiment has softened.

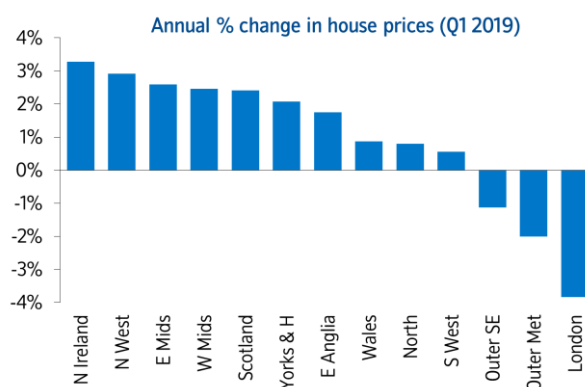
"Measures of consumer confidence weakened around the turn of the year and surveyors report that new buyer enquiries have continued to decline, falling to their lowest level since 2008 in February.

"While the number of properties coming onto the market has 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.

Annual price falls in London and South East

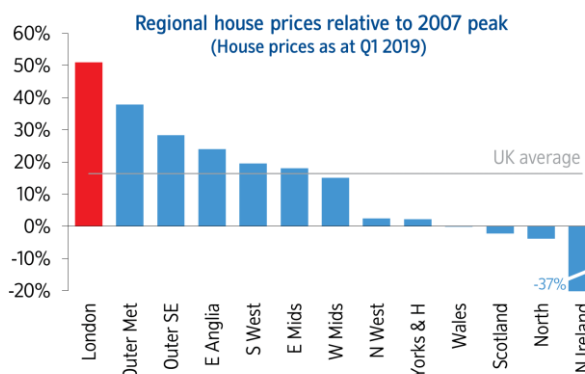
"Northern Ireland remained the strongest performing home nation in Q1, although annual price growth softened to 3.3%, from 5.8% last quarter. Scotland saw a slight pick up in annual price growth to 2.4%, while Wales saw a marked slowing in growth to 0.9% (from 4.0% last quarter).

Meanwhile, England recorded its first annual price fall since 2012, with prices down 0.7% compared with Q1 2018, driven by declines in the South East of England (see chart below).



"London was the weakest performing region in Q1, with prices 3.8% lower than the same period of 2018 – the fastest pace of decline since 2009 and the seventh consecutive quarter in which prices have declined in the capital. This trend is not entirely unexpected, however, as it follows several years of sustained outperformance which left affordability more stretched. Policy changes that have impacted the Buy to Let market in recent years are also likely to have exerted more of a drag in London, given that the private rental sector accounts for a larger proportion of the housing stock in the capital than elsewhere in the country.

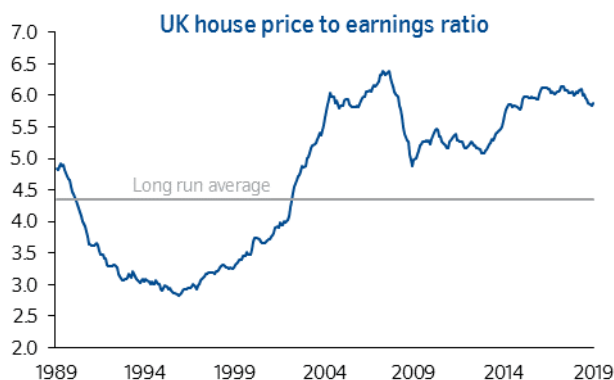
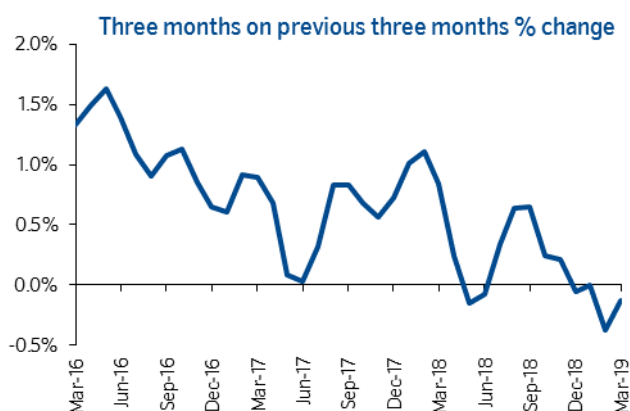
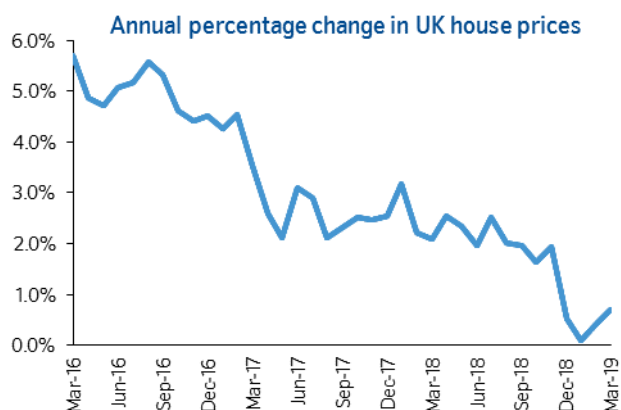
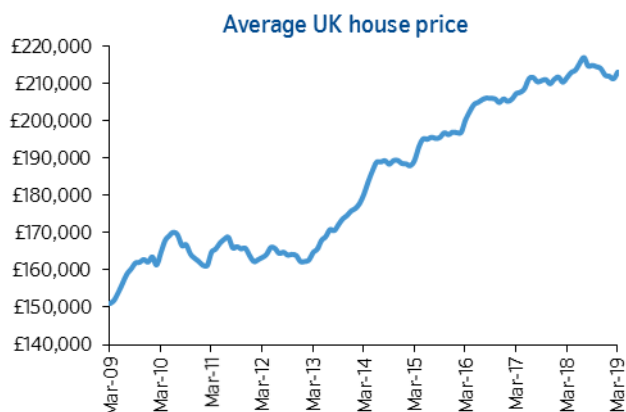
"More widely, prices across the South of England (and to a lesser extent in the Midlands) are also well above pre-financial crisis peaks, while those in Northern England, Wales and Scotland are still close to 2007 levels. However, prices in Northern Ireland are still more than 35% below the all-time highs recorded in 2007."



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

Monthly UK House Price Statistics

	Monthly % Change Seasonally Adjusted	3 Month on 3 Month % Change	Annual % Change	Average Price
Mar-17	-0.1	0.9	3.5	207,308
Apr-17	-0.4	0.7	2.6	207,699
May-17	-0.1	0.1	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	0.3	0.8	2.3	210,801
Oct-17	0.2	0.7	2.5	211,085
Nov-17	0.1	0.6	2.5	209,988
Dec-17	0.6	0.7	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	0.3	2.5	217,010
Aug-18	-0.5	0.6	2.0	214,745
Sep-18	0.2	0.6	2.0	214,922
Oct-18	0.0	0.2	1.6	214,534
Nov-18	0.4	0.2	1.9	214,044
Dec-18	-0.8	-0.1	0.5	212,281
Jan-19	0.2	0.0	0.1	211,966
Feb-19	0.0	-0.4	0.4	211,304
Mar-19	0.2	-0.1	0.7	213,102



Source: Nationwide, ONS

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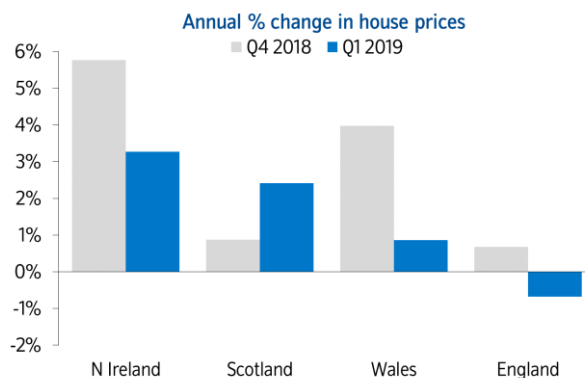
Quarterly Regional House Price Statistics

Q1 2019

Please note that these figures are for the three months to March, therefore will show a different UK average price and annual percentage change to our *monthly* house price statistics.

Regions over the last 12 months

Region	Average Price (Q1 2019)	Annual % change this quarter	Annual % change last quarter
N Ireland	£142,484	3.3%	5.8%
North West	£161,535	2.9%	2.2%
East Midlands	£182,254	2.6%	4.0%
West Midlands	£189,263	2.5%	2.9%
Scotland	£147,728	2.4%	0.9%
Yorks & H'side	£157,311	2.1%	3.7%
East Anglia	£225,945	1.7%	2.0%
Wales	£153,287	0.9%	4.0%
North	£129,458	0.8%	1.0%
South West	£241,683	0.5%	2.0%
Outer S East	£274,122	-1.1%	0.0%
Outer Met	£355,978	-2.0%	-1.4%
London	£455,594	-3.8%	-0.8%
UK	£212,694	0.4%	1.3%



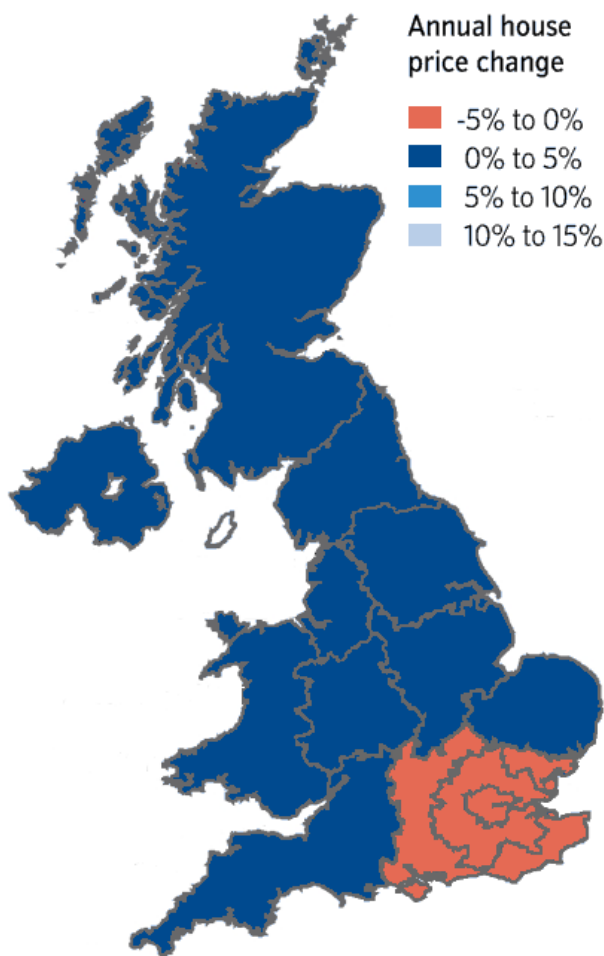
UK Fact File (Q1 2019)	
Quarterly average UK house price	£212,694
Annual percentage change	0.4%
Quarterly change*	-0.1%
Most expensive region	London
Least expensive region	North
Strongest annual price change	Northern Ireland
Weakest annual price change	London

* Seasonally adjusted

Nations – annual & quarterly price change

Nation	Average Price (Q1 2019)	Annual % change this quarter	Quarterly % change*
N Ireland	£142,484	3.3%	2.4%
Scotland	£147,728	2.4%	0.6%
Wales	£153,287	0.9%	-1.1%
England	£255,683	-0.7%	-0.3%

* Seasonally adjusted



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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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