

## 29<sup>th</sup> January 2021

### **DATA: Zoopla report UK house prices rose 4.3% in 2020**

This result is lower than the 7-8% growth reported in other indices. They also reported sales agreed were 8% higher than last year but the number of new homes coming onto the market was 12% lower. The exception was London with an increase in flats being listed.

### **DATA: ONS statistics show continued weakness in the job market**

The data highlights the economic impact of the pandemic with rising unemployment, hours worked improving but still lower than last year, redundancies high but lower than September, potential turning point in the fall in number of payroll employees, continued high claimant count, slowing recovery in job vacancies, and rising wages due to a fall in lower-paid jobs.

### **DATA: Rightmove report 6.4% annual fall in London rents in Q4 2020**

Although national rents rose 3.7% in 2020, there were large falls in city centre rents. Inner London saw rents fall by 12.4% over the year while rents in Edinburgh fell 10.0%, rents in Manchester fell 5.3%, and rents in Birmingham fell 4.6%.

### **DATA: MHCLG delay release of Energy Performance Certificate statistics**

The data for Q3 & Q4 2020 was due to be released yesterday (28<sup>th</sup>) but has been delayed until May. This is because MHCLG have brought the database inhouse and require more time to make the transition. Hopefully this includes adding UPRNs to data.

### **DATA: HESA release higher education student data for 2019/20**

Although the data is for the previous academic year so doesn't tell us what has happened this year, it provides useful data on the number of students, their characteristics, where they are from and what they are studying.

### **REPORT: Knight Frank report greenfield land values fell 6.7% in 2020**

They report "Despite some challenging headwinds, there is a weight of capital looking for opportunities to buy land and open more sites".

### **REPORT: Savills report greenfield land values fell 0.6% in 2020**

They report "Land values have remained robust with increasing demand levels, but there is an eye to risk management".

### **NEWS: Halifax release a wealth of information on first-time buyers in 2020**

The data is based partly on industry wide information from UK Finance and their own estimates for the last couple of months. It shows the number of first-time buyers fell 13% in 2020 but did not fall in their share of total transactions. See Chart of the Week for more.

## Chart of the Week

A press release from Halifax suggests that although the number of mortgaged first-time buyers fell in 2020, they maintained their share of total purchases. This is despite the ongoing the credit crunch which has significantly increased the deposit required to become a first-time buyer as the chart opposite shows.

This suggests that continued first-time buyer activity is currently being supported by a large shift to higher income and wealthier cohorts. That's in addition to the same but more gradual long-term trend. It raises the question of how long this level of first-time buyer activity can be sustained and suggests that, once we emerge from the pandemic, there will be ever larger numbers of frustrated young people.

### First-Time Buyer Deposits

Source: UK Finance, Halifax

