

2nd July 2021

DATA: Nationwide reported UK house prices rose 13.4% in the year to June

The high growth rates partly reflect the current housing market boom but also reflect the slowdown in prices reported in June 2020. As such, the total house price growth recorded by the index over two years is exactly the same (13.4%) as over one year.

DATA: Zoopla reported annual growth in UK house prices of 4.7% in May

Zoopla is now consistently reporting lower house price growth than the other major indices. It is possible that this is because it is a stock rather than transaction weighted index.

DATA: BoE reported 87,500 mortgage approvals for house purchase in May

This was a 0.7% increase on last month and was 32% higher than the 2014-19 average.

DATA: MHCLG reported on the continued rebound in housebuilding in Q1

The building control data undercounts actual delivery but is a useful guide to trends in delivery. The data showed a 9.3% increase in starts and 5.4% increase in completions.

DATA: FCA released mortgage Product Sales Data for 2020

The data provides a wealth of detail on mortgage lending trends which we've looked at in our latest Digging Deeper [slide deck](#).

REPORT: Registers of Scotland released Property Market Report 2020-21

The report contains information on the various parts of the residential property market in Scotland along with detail on commercial property and the mortgage market.

REPORT: Resolution Foundation released "Stakes and ladders", a report looking at the costs and benefits for first time buyers over generations.

The report finds that while older generations of first time buyers struggled with high costs of ownership in their early years of ownership, current first time buyers must both find more cash for the cost of buying (deposit) and face a marathon in paying off their larger mortgage.

REPORT: Preece et al research on "Urban rhythms in a small home"

The research provides a fascinating look at how people use their daily routines to cope with living in small homes (micro apartments, shared homes, small flats with children etc) and how the pandemic has disrupted those routines and affected their wellbeing.

NEWS: Knight Frank recorded record high transactions in June

They reported "It was a record month individually in every part of the UK, including prime central London, suburban and country house markets". We will have to wait to see if their data is reflective of transactions in the wider housing market.

Chart of the Week

The latest consumer trends [data](#) from the ONS shows that households' total resources (income from all sources) continued to rise in the first quarter of 2021 but their expenditure fell due to lockdown. The wide gap between **resources** and **expenditure** on the chart opposite has resulted in a rise in **gross household savings** of nearly £75 billion and an increase in households' **bank savings** of £50 billion in Q1 2021. This continues a trend seen since the start of the pandemic with total gross household savings of £280 billion and an increase in cash held in banks by £180 billion over the past year. It is almost certainly the case that some of these forced household savings have found their way into the housing market and likely that more will do so in the future.

Household Spending & Saving

Source: ONS, Bank of England

