

5<sup>th</sup> May 2023

**DATA:** Nationwide reported UK house prices fell 2.7% in year to April

This was a smaller annual fall than last month (-3.1%) thanks to a 0.5% monthly rise.

**DATA(PDF):** Zoopla reported UK house prices rose 3.0% in year to March

They report “Annual house price growth slows but the worst of the month-on-month price falls are now behind us” and the “Greater availability of homes for sale is boosting choice and the number of new sales being agreed is 6% up on 2019 but in line with the 5-year average”.

**DATA:** Bank of England reported a recovery in mortgage approvals in March

Mortgage approvals for house purchase increased 18% compared to the previous month to 52,000. However, this was still 22% below the pre-pandemic average (2014-2019).

**DATA:** Bank of England reported a rise in average effective mortgage rates

The average rate on new lending rose to 4.44% in March compared to 4.26% last month.

**DATA:** ONS published analysis on housing insulation and energy efficiency

The analysis of energy performance certificates shows progresses in insulation and energy efficiency over the last decade but there is still scope for improvement.

**REPORT(PDF):** Knight Frank reported on the development land market

They report greenfield land values fell by 3% in Q1 and “Dealmaking resumes after mini-budget fallout, but activity remains thin with housebuilders deferring land payments in a challenging market”.

**REPORT(PDF):** Savills reported on private capital and affordable housing

They report for profit registered providers “now own more than 28,150 affordable homes”, a 33% increase since March 2022.

**REPORT:** NHBC reported a 40% fall in new homes registered in Q1

Their data should be used with caution as there are issues with market share that affect both the total numbers and any changes over time.

**CORPORATE:** Barratt published trading update

They report “the net private reservation rate from 1 January to 29 January had bounced back from 0.30 in the final quarter of 2022 to 0.49 per active outlet per average week (2022: 0.90). We are pleased to report that over the subsequent 12-weeks of trading through 23 April 2023 activity improved again with the net private reservation rate at 0.71 (2022: 0.94)”.

## Chart of the Week

This week’s chart shows the net change in secured lending to individuals and highlights the sharp fall over the last six months. While gross lending was still positive in March, at £20.6 billion, the seasonally adjusted net lending figure fell to just £18 million. This suggests most current mortgage lending is the recycling of existing debt rather than lenders growing their books. This could be a key metric to keep an eye on in coming months.

### Net Change In Secured Lending To Individuals

Source: Bank of England

