Confidence In The Housing Market Weakens Amid The Economic Uncertainty

Contributed by Ipsos
Tuesday, 01 November 2011
Last Updated Tuesday, 01 November 2011

Halifax Housing Market Confidence Tracker: October 2011

More Britons expect house prices to fall rather than rise over the next twelve months, according to the Halifax Housing Market Confidence tracker. Now, 32% think the average property price in the UK will fall. 28% think it will rise.

The headline House Price Outlook balance has therefore slipped into negative territory with an overall balance score of -2 percentage points.

This reverses the picture in April when a plurality were bullish about prices; 32% though they would rise, 23% predicted a fall.

Other headlines:
- Public sentiment still points to a house buyerâ€™s market and one which isnâ€™t favourable to the seller. In fact, these sentiments have hardened since April.
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- More than half (53%) think the next 12 months would be a good time to buy a property while only 12% think the same of selling. Three-quarters of adults (76%, up 12 points since April) and four in five owner-occupiers (80%, up 16 points) think it would be a bad time to sell. Among the latter, 29% consider the next twelve months to be a very bad time to sell.
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- Underlining the lack of buy/sell equilibrium in the market at least in terms of sentiment, only 9% of owner-occupiers think the period will be a good time to both buy and sell. Just under half (48%) think it will be a good time to buy, but not to sell.
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- There are some important regional variations but regional sentiment has more in common. Those living in the South East and the South West are most positive about it being a good time to buy (64% and 63%). In every region a majority think it a bad time to sell â€“ even in London, while a relatively high 23% think it a good time, 64% take the opposite view.
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- More Britons expect house prices to rise rather than fall over the next twelve months, according to the Halifax Housing Market Confidence tracker. Although house prices fell by 1.2% on a quarterly basis in April, one in three of survey respondents actually predicted that average UK house prices will rise this year, whilst 23% expecting a fall in prices.
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- This means, on balance, more people in Britain think house prices will rise than fall, revealing a positive House Price Outlook Score of +9 percentage points.
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- The majority of Britons think that any house price movement over the next year will be relatively small with more than a half (57%) expecting any change to be between +5% and -5%. A further 26% think that house prices will remain the same. Nonetheless, almost a quarter (24%) believe there will be more significant change in house prices with increases and decreases predicted of 5% or more.

Download the topline results Â
Download the data tablesÂ

Technical note
The Halifax Housing Market Confidence tracker monitors public sentiment towards the housing market. The survey, conducted by Ipsos MORI on behalf of Halifax, was undertaken between 7th and 13th October 2011.

Survey respondents were asked about property, defined as â€œhouse, flats, apartments and all types of accommodationâ€•. Interviews were undertaken face to face with a representative sample of 1,986 British adults aged 16+ using 155 sampling points across Britain. Data are weighted to the national population profile by age, sex, working status, region, ethnicity, and tenure.

Results are subject to sampling tolerances e.g. +2 for a 50% finding based on 1,986 adults (95% confidence level).

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Published 31 October 2011