

# Nationwide HOUSE PRICE INDEX



[www.nationwidehousepriceindex.co.uk](http://www.nationwidehousepriceindex.co.uk)

February 2021

## Annual house price growth rebounds in February

- Annual house price growth rebounded to 6.9% from 6.4% in January
- Prices up 0.3% month-on-month, more than erasing the small decline seen in January
- Average price of £231,061 highest on record

“As a result, the outlook for the housing market is unusually uncertain. There is scope for shifting housing preferences to continue to boost activity, especially if there is further policy support in the Budget. Nevertheless, if labour market conditions weaken as most analysts expect, it is likely that the housing market will slow in the months ahead.”

| Headlines                               | Feb-21   | Jan-21   |
|---|----------|----------|
| Monthly Index*                          | 464.7    | 461.4    |
| Monthly Change*                         | 0.7%     | -0.2%    |
| Annual Change                           | 6.9%     | 6.4%     |
| Average Price (not seasonally adjusted) | £231,068 | £229,748 |

\* 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:

“February saw the annual rate of house price growth rebound to 6.9%, from 6.4% in January. House prices rose by 0.7% month-on-month, after taking account of seasonal effects, more than reversing the 0.2% monthly decline recorded in January.

“This increase is a surprise. It seemed more likely that annual price growth would soften further ahead of the end of the stamp duty holiday, which prompted many people considering a house move to bring forward their purchase.

“While the stamp duty holiday is not due to expire until the end of March, activity and price growth would be expected to weaken well before that, given that the purchase process typically takes several months (note that our house price index is based on data at the mortgage approval stage).

“It may be that the stamp duty holiday is still providing some forward momentum, especially given the paucity of properties on the market at present. Shifts in housing preferences may also be providing a more significant boost to demand, despite the uncertain economic outlook.

“Many peoples’ housing needs have changed as a direct result of the pandemic, with many opting to move to less densely populated locations or property types, despite the sharp economic slowdown and the uncertain outlook.

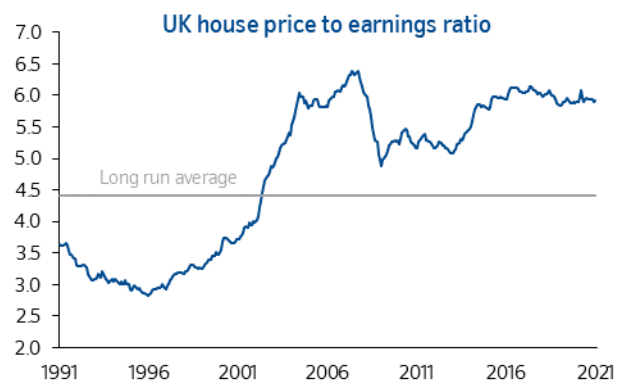
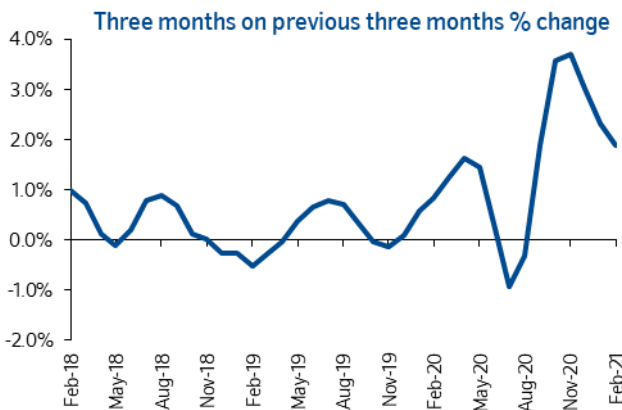
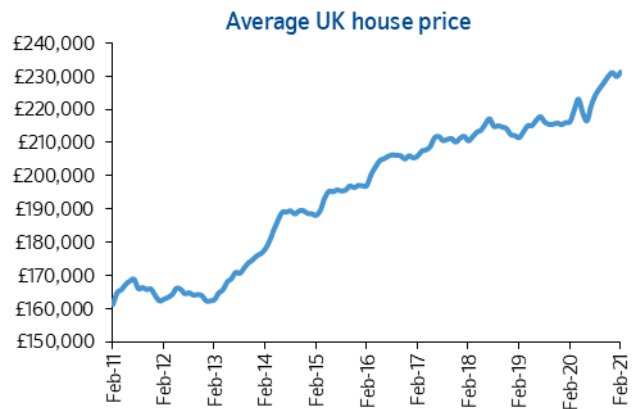
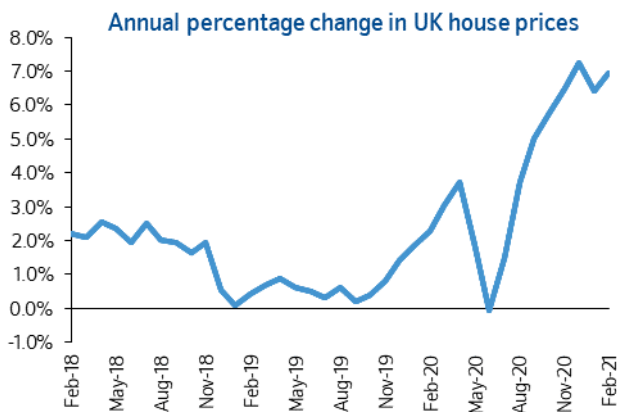
## Monthly UK House Price Statistics

|        | Monthly % Change Seasonally Adjusted | 3 Month on 3 Month % Change | Annual % Change | Average Price |
|--------|--------------------------------------|-----------------------------|-----------------|---------------|
| Feb-19 | -0.2                                 | -0.5                        | 0.4             | 211,304       |
| Mar-19 | 0.1                                  | -0.3                        | 0.7             | 213,102       |
| Apr-19 | 0.4                                  | 0.0                         | 0.9             | 214,920       |
| May-19 | 0.2                                  | 0.4                         | 0.6             | 214,946       |
| Jun-19 | 0.3                                  | 0.6                         | 0.5             | 216,515       |
| Jul-19 | 0.3                                  | 0.8                         | 0.3             | 217,663       |
| Aug-19 | -0.2                                 | 0.7                         | 0.6             | 216,096       |
| Sep-19 | -0.3                                 | 0.3                         | 0.2             | 215,352       |
| Oct-19 | 0.1                                  | 0.0                         | 0.4             | 215,368       |
| Nov-19 | 0.3                                  | -0.1                        | 0.8             | 215,734       |
| Dec-19 | 0.1                                  | 0.1                         | 1.4             | 215,282       |
| Jan-20 | 0.6                                  | 0.6                         | 1.9             | 215,897       |
| Feb-20 | 0.2                                  | 0.8                         | 2.3             | 216,092       |
| Mar-20 | 0.8                                  | 1.2                         | 3.0             | 219,583       |
| Apr-20 | 1.1                                  | 1.6                         | 3.7             | 222,915       |
| May-20 | -1.5                                 | 1.4                         | 1.8             | 218,902       |
| Jun-20 | -1.5                                 | 0.2                         | -0.1            | 216,403       |
| Jul-20 | 1.8                                  | -0.9                        | 1.5             | 220,936       |
| Aug-20 | 2.0                                  | -0.3                        | 3.7             | 224,123       |
| Sep-20 | 0.9                                  | 1.9                         | 5.0             | 226,129       |
| Oct-20 | 0.8                                  | 3.6                         | 5.8             | 227,826       |
| Nov-20 | 0.9                                  | 3.7                         | 6.5             | 229,721       |
| Dec-20 | 0.9                                  | 3.0                         | 7.3             | 230,920       |
| Jan-21 | -0.2                                 | 2.3                         | 6.4             | 229,748       |
| Feb-21 | 0.7                                  | 1.9                         | 6.9             | 231,068       |

### New website

A full series of this data and the rest of our house price data, alongside our monthly and quarterly reports can now be found at [www.nationwidehousepriceindex.co.uk](http://www.nationwidehousepriceindex.co.uk)

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



Source: Nationwide, ONS

## 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 [www.nationwidehousepriceindex.co.uk](http://www.nationwidehousepriceindex.co.uk)

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