



## FT House Price Index MA

## October 2005

The new FT House Price Index MA is now calculated on a mix adjusted as well as a seasonally adjusted basis. It shows that house price inflation in October has slowed to 2.5%, its lowest level since June 1996.

The FT House Price Index MA is calculated by Acadameetrics and is designed to provide the most accurate guide to the real trends in residential property prices using Land Registry data (the only complete data source for domestic property prices in England and Wales).

We estimate the FT House Price Index MA, on a seasonally and mix adjusted basis, as follows:

	House Price	Index	Monthly Change %	Annual Change %
<b>October 2005</b>	£193,270	193.3	0.1	2.5
<b>September 2005</b>	£193,010	193.0	0.1	3.3
<b>August 2005</b>	£192,815	192.8	0.0	4.1
<b>July 2005</b>	£192,819	192.8	0.0	5.3
<b>June 2005</b>	£192,824	192.8	0.2	6.4
<b>May 2005</b>	£192,386	192.4	-0.5	7.2
<b>April 2005</b>	£193,382	193.4	-0.1	9.0

Gary Styles, Chief Economist and Director of Acadameetrics said, "The FT House Price Index continues to show a very smooth and predictable path for UK house prices. Our index has hardly changed in the last 4 months and this is very consistent with reports from estate agents of sticky house prices. Although mortgage activity has picked up in recent months this has not been translated into higher house prices.

"The differences in regional performance remain narrow with the North the strongest growing region experiencing annual house price inflation of 8% and the weakest region the South West seeing no overall house price growth in the last 12 months.

"House prices look set to remain flat in most regions over the next 6-12 months as the market adjusts to high levels of debt and stretched levels of affordability".

Also see [www.ft.com/houseprices](http://www.ft.com/houseprices)

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

FT House Price Index results to Sep 05 are based on Land Registry published data, smoothed, seasonally and mix adjusted, and revised with updated LR results as available. From Oct 05, FT House Price Index monthly forecasts of updated LR house price results are shown.