

FT House Price Index



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The FT House Price Index series has been updated with the most recent monthly data available from the Land Registry. The latest figures indicate that house prices rose by 0.5 per cent in February 2008.

The FT House Price Index comprises the published Land Registry house price data, smoothed and seasonally and mix adjusted by Acadametrics, combined with an "Index of Indices" model in order to account for transactions not yet reported to the Land Registry. The FT House Price Index uniquely uses all of the Land Registry data including cash purchases. It is designed to provide the most factual record available of domestic property prices in England and Wales and a true guide to house price inflation.

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

	House Price	Index	Monthly Change %	Annual Change %
February 2008	£231,530	235.7	0.5	6.1
January 2008	£230,348	234.5	0.2	6.8
December 2007	£229,819	234.0	-0.1	7.6
November 2007	£230,112	234.3	-0.2	8.9
October 2007	£230,481	234.7	0.6	9.9
September 2007	£229,175	233.3	0.8	10.4
August 2007	£227,410	231.5	0.8	10.5

How the index is calculated

Figures for the most recent months are produced using the latest information from the Land Registry's database of monthly property transactions and a statistical model to collate information from other published house price figures.

The FT index weights information from the Halifax, Nationwide and Office of the Deputy Prime Minister according to their past reliability in predicting Land Registry figures. The outcome from the modelling process is smoothed to avoid the erratic month to month fluctuations observed in some other indices.

There has always been a weakness with the original FT index (FTHPI), however, in that it is not mix-adjusted. Because different regions and property types can exhibit different price movements, an index is improved by allowing for the fact that sales in any period are unlikely to be representative of the country as a whole.

Accordingly, the FT's new mix-adjusted index (FTHPI MA) does allow for the relative changes in prices in the regions and among the four property types — detached, semi-detached, terraced and flats/maisonettes — that the Land Registry collects.

While the original FT index, which will still be published, "forecasts" the eventual Land Registry data, the mix-adjusted index more accurately reflects what is really happening to national house prices.

To find out the Land Registry price of your home, or any other UK address, go to <http://www.nethouseprices.com/index.php>

Percentage changes in house prices: comparison of data from available

sources

Source	Annual/ Month	Mar 07	Apr 07	May 07	Jun 07	Jul 07	Aug 07	Sep 07	Oct 07	Nov 07	Dec 07	Jan 08	Feb 08
FTHPI	A	9.4	9.6	9.7	10.2	10.2	10.5	10.4	9.9	8.9	7.6	6.8	6.1
	M	0.6	0.8	0.6	0.9	0.4	0.8	0.8	0.6	-0.2	-0.1	0.2	0.5
CLG	A	9.8	9.7	9.5	10.9	11.2	10.4	10.0	10.6	9.2	8.9	-	-
	M	1.1	0.8	0.8	1.6	1.9	0.5	0.4	0.0	-0.6	0.6	-	-
LR Index	A	8.8	8.8	9.0	9.2	9.5	9.7	8.9	8.5	7.8	6.7	6.4	-
	M	1.2	0.3	0.7	0.3	0.8	0.5	0.5	0.5	0.3	-0.5	0.9	-
Nationwide	A	9.3	10.2	10.3	11.1	9.9	9.6	9.0	9.7	6.9	4.8	4.2	2.7
	M	0.5	0.8	0.4	1.0	0.0	0.5	0.6	1.1	-1.0	-0.5	-0.3	-0.5
Halifax	A	11.1	10.9	10.6	10.7	11.2	11.4	10.7	8.9	6.3	5.2	4.5	4.2
	M	1.2	0.9	0.2	0.4	0.8	0.3	-0.6	-0.7	-1.3	1.4	0.0	-0.3
Rightmove	A	12.2	15.0	13.1	13.2	10.3	12.8	9.6	10.4	7.9	4.8	3.4	5.8
	M	1.5	3.6	0.4	0.8	0.3	0.6	-2.6	2.7	-0.7	-3.2	-0.8	3.2
Hometrack	A	6.7	6.8	6.7	6.4	5.9	5.4	5.0	4.4	3.6	3.0	2.3	1.4
	M	0.8	0.7	0.6	0.3	0.1	0.0	0.0	-0.1	-0.2	-0.3	-0.3	-0.2

Last updated April 1 2008

Explanatory notes

Land Registry published figures as updated for all except the most recent quarter, for which FT House Price Index clb/cms their initial data are shown - not seasonally adjusted or mix adjusted. www.acadameetrics.co.uk

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