

The prime London sales indices are based on repeat valuations of second-hand stock and do not include new-build property, although units from completed developments are included over time.



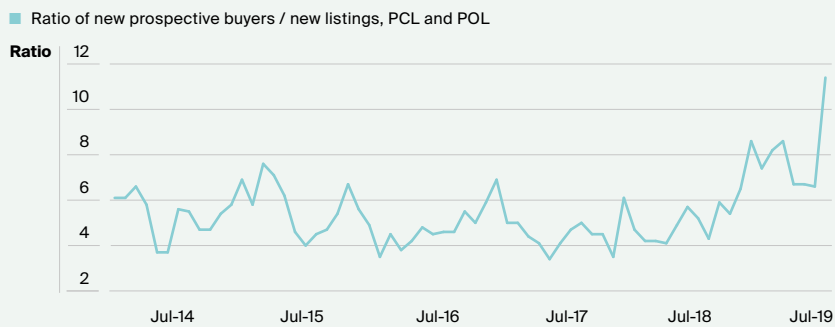
knightfrank.com/research

Prime London Sales Index

September 2019

PRIME CENTRAL LONDON	PRIME CENTRAL LONDON INDEX	ANNUAL CHANGE	QUARTERLY CHANGE	MONTHLY CHANGE
	5,551.3	-3.9%	-0.4%	-0.1%
PRIME OUTER LONDON	PRIME OUTER LONDON INDEX	ANNUAL CHANGE	QUARTERLY CHANGE	MONTHLY CHANGE
	266.2	-3.5%	-0.6%	-0.2%

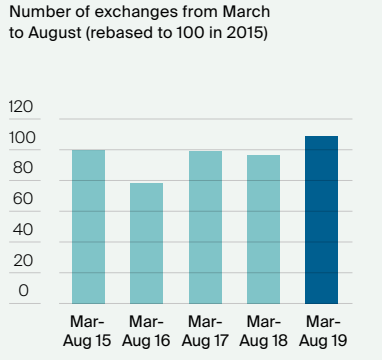
1 Demand grows vs supply



Source: Knight Frank Research

Figure 1 — The ratio of new prospective buyers to new property listings climbed to 11.4 in August across prime central and prime outer London, Knight Frank data shows. This was the highest level in more than ten years and reflects the fact that while many buyers are primed to transact, the political uncertainty has caused some potential vendors to hesitate.

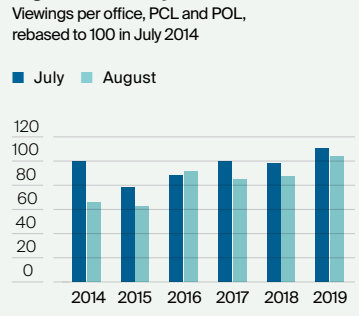
2 Transactions rise in PCL



Source: Knight Frank Research

Figure 2 — Despite the Brexit-related political uncertainty, the number of transactions in prime central London has risen in 2019. In the six months to August, Knight Frank carried out 13% more transactions than the same period last year. It was the highest figure over the equivalent period since 2014.

3 Summer demand highest in five years

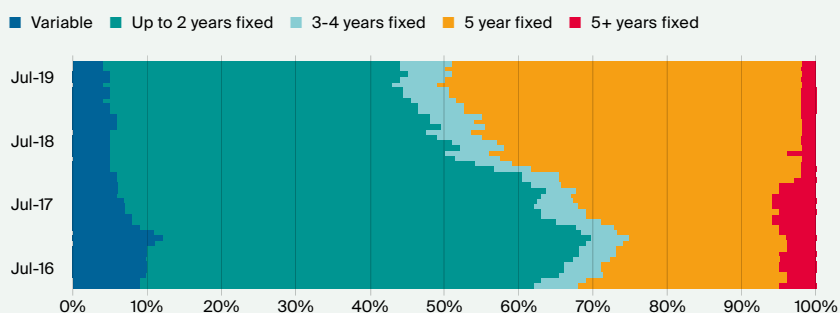


Source: Knight Frank Research

Figure 3 — The level of viewings over the summer was higher than it has been in more than five years, which underlines the current strength of demand. There were 16% more viewings over July and August than the same period last year as buyers respond to price adjustments and, in the case of overseas buyers, the weakness of the pound.

4 Fixing mortgages for longer

More borrowers take out fixed-rate mortgages as rates fall due to economic uncertainty



Source: UK Finance

Figure 4 — Record-low interest rates have helped to underpin market liquidity and mean that a growing number of buyers are fixing for longer-periods of time. Some 96% of all mortgages issued in July were fixed-rate, with the percentage of five-year fixed-rate mortgages climbing to 47%, which compared to 27% in the same month two years ago.

PRIME CENTRAL LONDON PRICE GROWTH BY PRICE BAND, TIME PERIOD AND PROPERTY TYPE

	UP TO £1M	£1M TO £2M	£2M TO £5M	£5M TO £10M	OVER £10M	FLAT	HOUSE
1 MONTH	0.0%	-0.2%	0.0%	-0.1%	-0.2%	-0.1%	-0.1%
3 MONTHS	-0.2%	-0.2%	-0.5%	-0.6%	-0.8%	-0.3%	-0.5%
6 MONTHS	-1.0%	-0.9%	-0.9%	-1.4%	-1.1%	-1.0%	-1.2%
1 YEAR	-4.9%	-3.6%	-4.0%	-3.5%	-2.9%	-4.1%	-3.5%
YTD	-2.9%	-2.0%	-2.0%	-2.5%	-2.2%	-2.3%	-2.3%

PRIME OUTER LONDON PRICE GROWTH BY PRICE BAND, TIME PERIOD AND PROPERTY TYPE

	UP TO £1M	£1M - £2M	£2M - £3M	£3M - £4M	£4M - £5M	OVER £5M	FLAT	HOUSE
1 MONTH	-0.3%	-0.1%	-0.1%	-0.3%	0.0%	-0.1%	-0.3%	-0.1%
3 MONTHS	-0.8%	-0.4%	-0.8%	-0.3%	-0.9%	0.0%	-0.9%	-0.3%
6 MONTHS	-0.9%	-0.6%	-0.7%	-0.8%	-0.9%	-0.7%	-1.3%	-0.3%
1 YEAR	-3.7%	-3.3%	-4.7%	-2.5%	-4.7%	-1.5%	-4.5%	-2.7%
YTD	-2.1%	-1.6%	-1.7%	-1.5%	-2.2%	-0.9%	-2.5%	-1.1%

Please get in touch with us

If you are looking to buy, sell or would just like some property advice, we would love to hear from you.



Tom Bill

Head of London Residential Research
+44 20 7861 1492
tom.bill@knightfrank.com



Tim Hyatt

Head of London Residential
+44 20 7861 5044
tim.hyatt@knightfrank.com

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