

1 March 2024

Australian dwelling prices: regaining traction? Feb CoreLogic home value index: 0.6%^{month}; 10%^{year} Price momentum lifts but turnover remains weak.

- The CoreLogic home value index, covering the eight major capital cities, rose 0.6% in February, an uptick on the 0.4% gain in Jan and the 0.2-0.3% gains in December and November. Annual price growth held around 10%^{year}.
- The main shifts in momentum have been in Sydney and Melbourne which have lifted after a flat few months, both recording slight declines in recent months (a little more pronounced in the case of Melbourne). Brisbane has also seen a meaningful slowdown although price growth remains relatively strong at +0.9%^{month}, 15.6%^{year}. Adelaide has seen a steadier performance, price gains holding at around 1%^{month} while Perth continues to punch out strong gains, prices up 1.8% in February. Annual price growth ranges from 4%^{year} in Melbourne up to 18.7%^{year} in Perth. Unit prices outperformed slightly in the month but continue to underperform in annual growth terms. Across the 50 detailed sub-markets covered in February, just eight recorded declines.
- Turnover continued to weaken at the start of the year, falling an estimated 12% over the three months to February compared to the previous three months, over and above the usual seasonal slowing. The downturn has been notably sharper in Sydney, suggesting affordability pressures are biting hard.
- The detail shows a mixed performance across price tiers. While the moderation in price growth has been more pronounced for dwellings in the top 25% by value, the gap in price growth has been fairly marginal in recent months. Patterns continue to differ across capital city markets – the under-performance of top tier markets a feature in Melbourne and Hobart but higher price tiers generally outperforming lower price ones in other cities in the latest month.
- Across the major capitals: Sydney recorded a 0.5% price gain, the strongest monthly rise in September, annual growth dipping to 10.6%^{year}; Melbourne prices edged up 0.1%^{month}, the first gain in four months but with prices still dipping low for higher price tiers; Brisbane prices rose 0.9%^{month} to be up 15.6%^{year}, ‘top tier’ house and unit sub-markets continuing to post strong gains in the 2-3%^{month} range; Adelaide recorded a 1.1% rise to be up 11.8%^{year}, top tier markets also outperforming; and Perth prices surged 1.8%, lifting annual growth to 18.3%^{year} ‘top tier’ sub-markets posting gains close to 4%^{month}.
- Across the smaller capitals: Hobart prices are seeing renewed declines, down 0.37%, annual growth still in slight contraction; Canberra prices lifted 0.7%; and Darwin recorded a 0.1% uptick and about flat on a year ago. Across regional areas, prices were flat in regional Vic but posted gains in line with the national performance for regional NSW and a solid 1% increase for regional Queensland (which includes the Gold and Sunshine Coast areas).

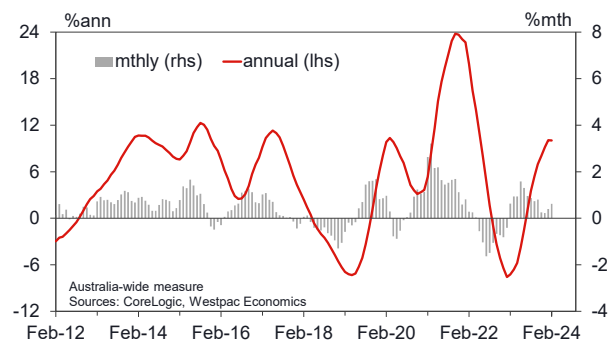
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CoreLogic home value index: February 2024

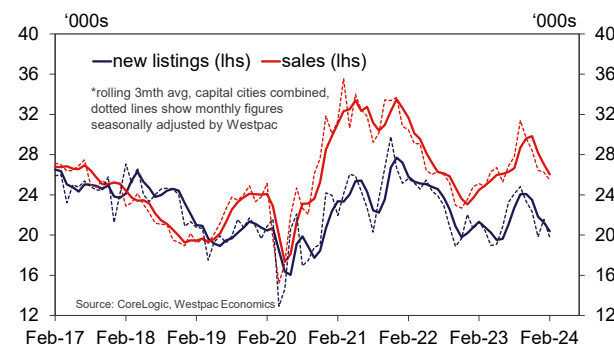
	% ^{month}				% ^{ann}			
	Nov	Dec	Jan	Feb	Nov	Dec	Jan	Feb
Australia*	0.3	0.2	0.4	0.6	8.0	9.2	10.1	10.0
- houses	0.3	0.3	0.5	0.6	8.8	10.0	11.1	11.0
- units	0.0	0.1	0.0	0.7	5.8	6.5	6.9	7.1
Major capital cities								
Sydney	-0.1	-0.1	0.2	0.5	9.7	10.6	11.4	10.6
Melbourne	-0.2	-0.5	-0.2	0.1	3.3	3.6	4.0	4.0
Brisbane	1.2	1.0	1.0	0.9	11.1	13.4	14.9	15.6
Adelaide	1.1	1.5	1.0	1.1	7.0	8.7	10.3	11.8
Perth	1.6	1.6	1.7	1.8	13.7	15.6	17.0	18.3
Turnover^	11.1	-0.7	-8.1	-12.0	22.2	18.3	11.3	5.1

*combined capital cities Sources: CoreLogic, Westpac Economics
^ rolling 3mth total, %3mth and %ann ch, seasonally adjusted by Westpac.

Australian dwelling prices

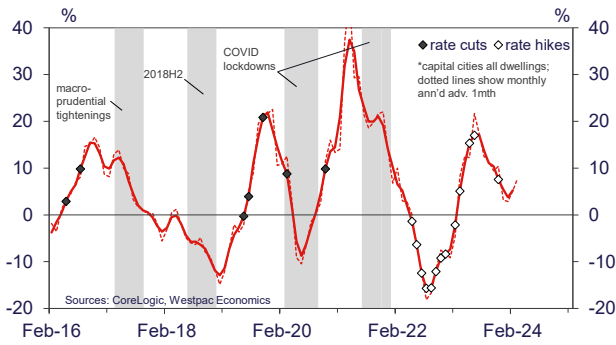


Residential property: listings and sales

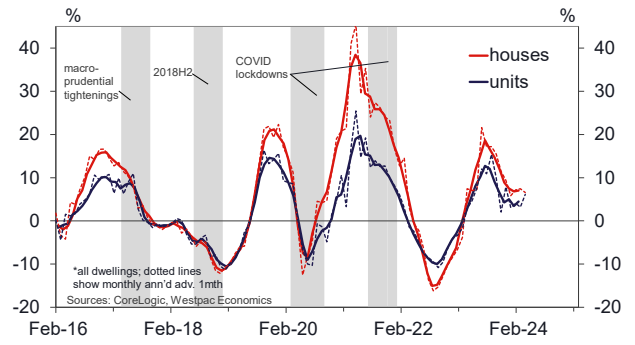


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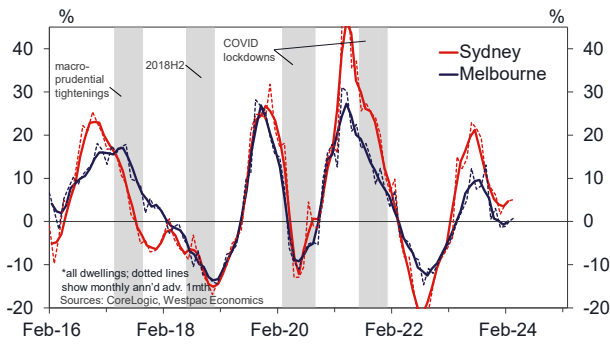
Australian dwelling prices: 3mth annualised



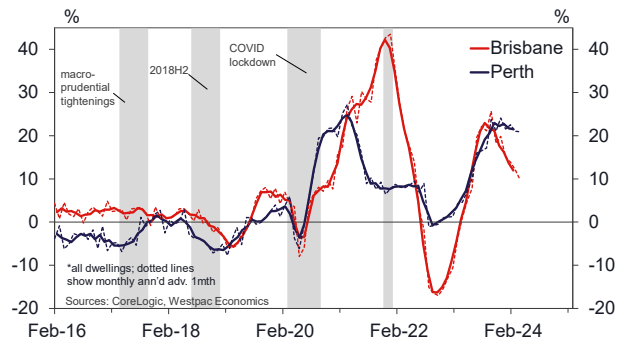
Dwelling prices: houses, units, 3mth annualised



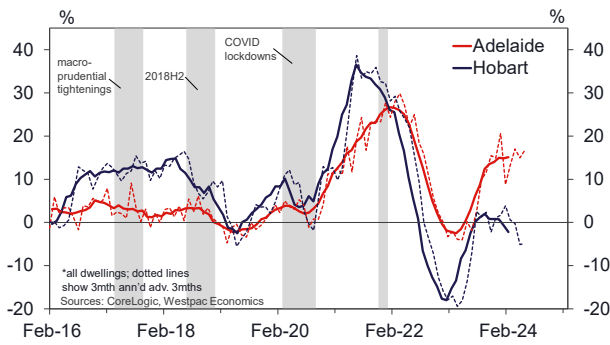
Sydney, Melbourne dwelling prices: 3mth ann'd



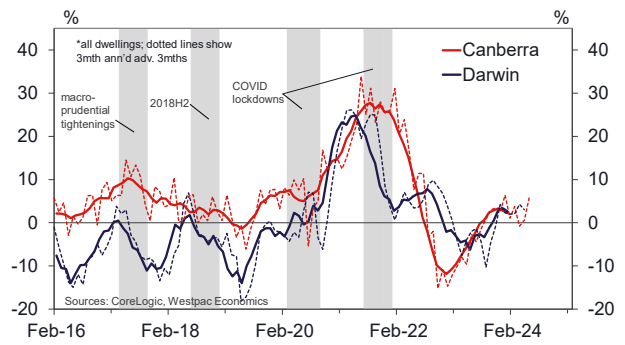
Brisbane, Perth dwelling prices: 3mth ann'd



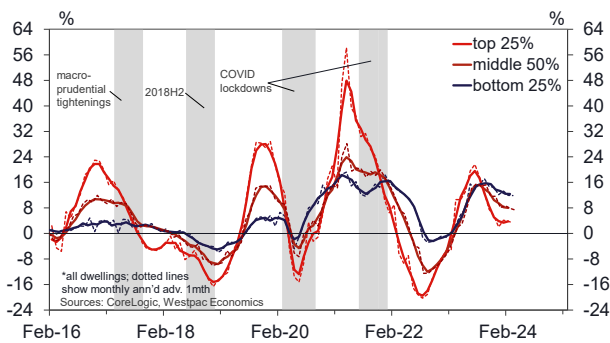
Adelaide, Hobart dwelling prices: 6mth ann'd



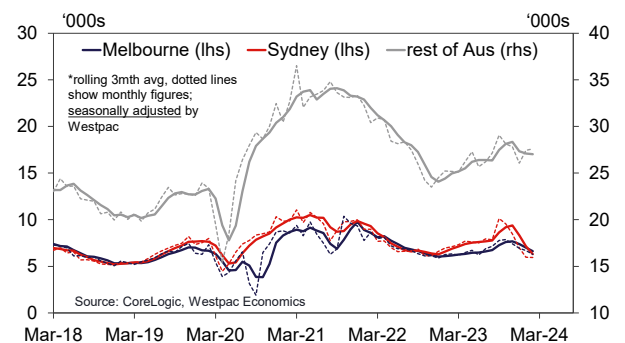
Canberra, Darwin dwelling prices: 6mth ann'd



Dwelling prices: by property value, 3mth ann'd



Residential property: sales



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