

3 June 2024

Australian dwelling prices: widening gap May CoreLogic home value index: 0.8%¹mth; 8.8%²yr Sydney-Melbourne in 'slow-lane' as Brisbane-Perth-Adelaide surge

- The CoreLogic home value index, covering the eight major capital cities, rose 0.8% in May, a slightly firmer gain than the 0.5-0.7% monthly rises through Feb-Apr. Annual price growth moderated to 8.8%²yr, down from a peak of 10.5%²yr in Feb.
- There continues to be a notable trend divergence between the headline, non seasonally adjusted, measure and CoreLogic's seasonally adjusted estimates. This eased slightly in May with both measures showing similar rises in the month.
- Note that, unless specified, the figures in the title, table right and commentary below are all in non-seasonally adjusted terms, consistent with the 'headline' figures reported by CoreLogic. Figures in the charts right and overleaf are instead in seasonally adjusted terms unless specified.
- There is now a very clear 'two-speed' pattern to price growth across the major capital cities. Sydney and Melbourne are firmly in the slow lane with momentum stalling and prices slipping lower respectively. In contrast, Brisbane, Perth and Adelaide are the pace-setters with price growth continuing to run at a cracking double-digit annual pace. Across the 50 detailed sub-markets covered in May, 13, or 25%, recorded declines.
- There is a similar 'two-speed' picture around turnover, sales in Sydney and Melbourne down 12.5%³qtr over the 3mths to May but up 3.5%³qtr across the other major capitals on a combined basis.
- Sydney dwelling prices rose 0.6%¹mth in May but recorded a more subdued 0.2%¹mth gain in seasonally adjusted terms. Annual growth slowed to 7.4%²yr from 12.1%²yr in Jan. 'Top tier' markets are notably softer, recording outright price slippage in the latest month.
- Melbourne dwelling prices edged up just 0.1% in May, dipping slightly over the last three months and up just 1.8%²yr. The detail also shows weakness centred on top tier sub-markets.
- Brisbane prices quickened in May, rising 1.4%¹mth, annual growth holding above 16%²yr. Adelaide recorded a 1.8%¹mth gain, annual growth lifting to 14.4%²yr. Perth continues to lead the pack, prices rising a further 2% in May to be up an impressive 22%²yr. All three cities are seeing top tier sub-markets outperform.
- Across the smaller capitals: Hobart recorded a -0.5%¹mth fall, prices still down slightly over the year (-0.1%²yr); Darwin also recorded a fall, prices down 0.3%¹mth but up 3.5%²yr; Canberra recorded a 0.5%¹mth gain, prices up 2%²yr. Across regional areas, prices slipped 0.2%¹mth lower in regional Vic, ticked up 0.4%¹mth in regional NSW and posted another solid 1.1%¹mth gain in regional Queensland (which includes the Gold and Sunshine Coasts).
- Overall, the May update shows a further widening in the divergent performances across capital cities. As noted in our latest [Housing Pulse](#) report, this is expected to remain a dominant theme over the rest of 2024 but with some re-convergence around slower growth rates coming in 2025.

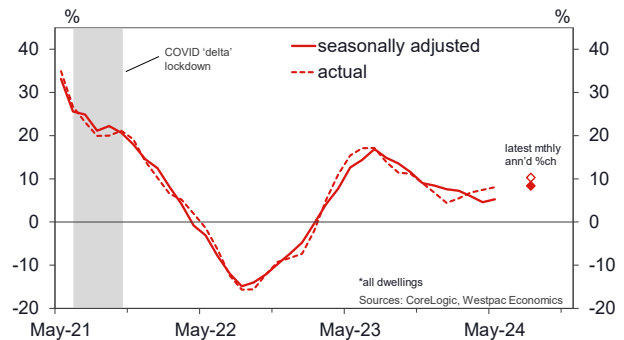
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CoreLogic home value index: May 2024

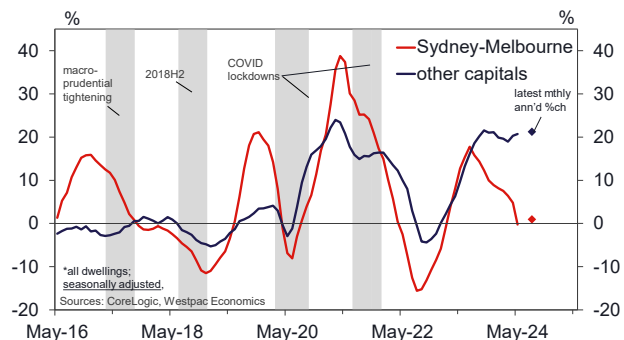
| | % ¹ mth | | | | % ² ann | | | |
|-----------------------|--------------------|------------|------------|------------|--------------------|-------------|------------|------------|
| | Feb | Mar | Apr | May | Feb | Mar | Apr | May |
| Australia* | 0.7 | 0.6 | 0.5 | 0.8 | 10.5 | 10.1 | 9.6 | 8.8 |
| seas. adjusted | 0.5 | 0.3 | 0.2 | 0.7 | 10.5 | 10.2 | 9.7 | 8.7 |
| - houses | 0.6 | 0.7 | 0.5 | 0.8 | 11.4 | 11.1 | 10.6 | 9.6 |
| - units | 0.7 | 0.4 | 0.5 | 0.8 | 7.4 | 6.9 | 6.6 | 6.2 |
| Major capital cities | | | | | | | | |
| Sydney | 0.6 | 0.4 | 0.3 | 0.6 | 11.4 | 10.3 | 9.0 | 7.4 |
| Melbourne | 0.1 | -0.1 | -0.2 | 0.1 | 4.4 | 3.5 | 2.9 | 1.8 |
| Brisbane | 1.0 | 1.3 | 1.1 | 1.4 | 15.7 | 16.4 | 16.6 | 16.3 |
| Adelaide | 0.5 | 1.3 | 1.2 | 1.8 | 11.1 | 12.7 | 13.6 | 14.4 |
| Perth | 1.9 | 1.9 | 2.1 | 2.0 | 18.6 | 19.9 | 21.2 | 22.0 |
| Turnover ³ | 3.4 | 5.0 | 3.4 | -5.6 | 16.1 | 15.8 | 12.5 | 3.6 |

*combined capital cities Sources: CoreLogic, Westpac Economics
^ rolling 3mth total, %¹3mth and %²ann ch, seasonally adjusted by Westpac.

Australian dwelling prices: 3mth annualised

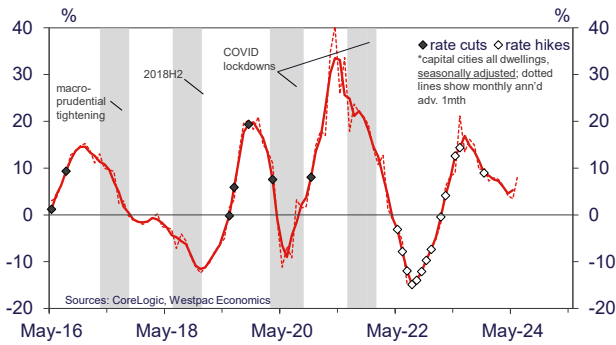


Dwelling prices: Syd-Melb vs rest, 3mth annualised

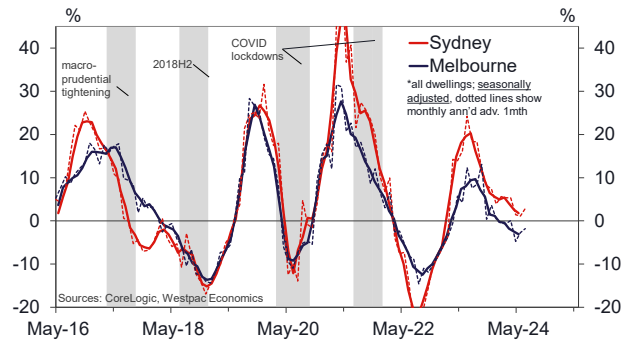


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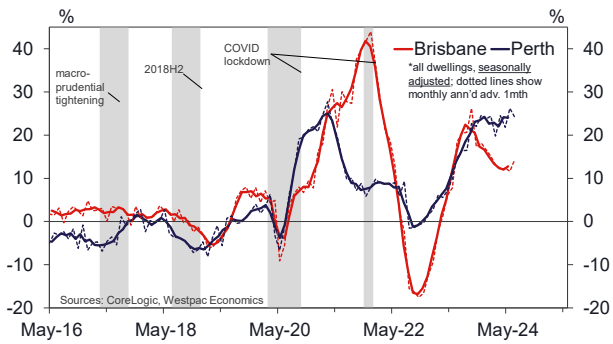
Australian dwelling prices: 3mth annualised



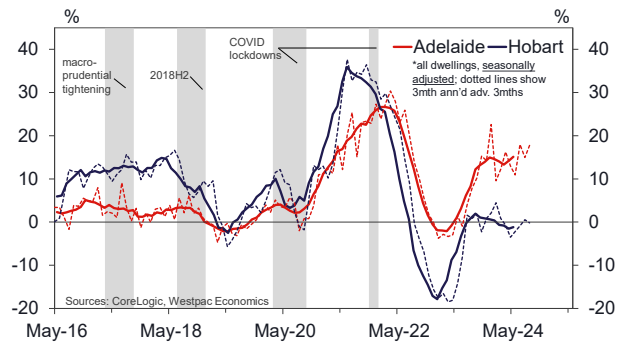
Sydney, Melbourne dwelling prices: 3mth ann'd



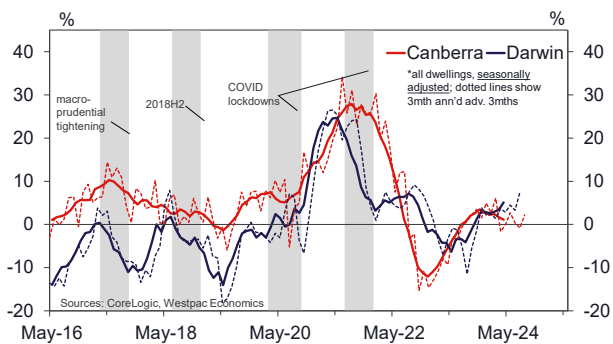
Brisbane, Perth dwelling prices: 3mth ann'd



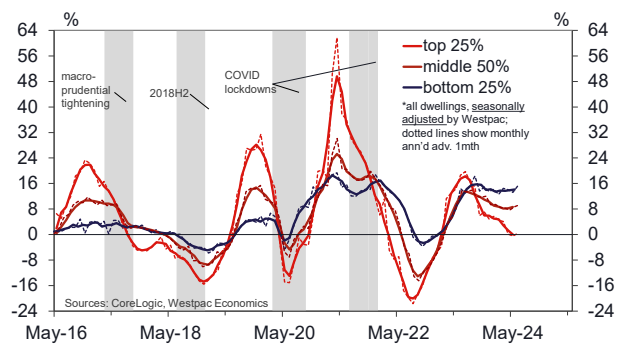
Adelaide, Hobart dwelling prices: 6mth ann'd



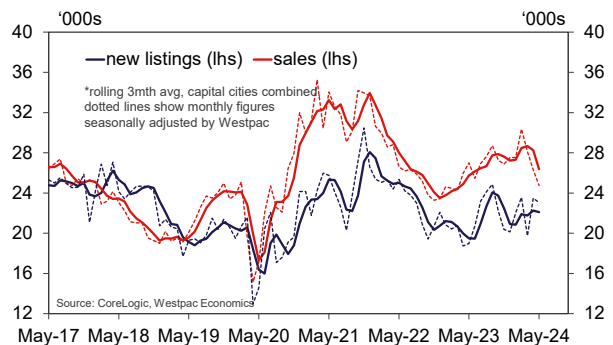
Canberra, Darwin dwelling prices: 6mth ann'd



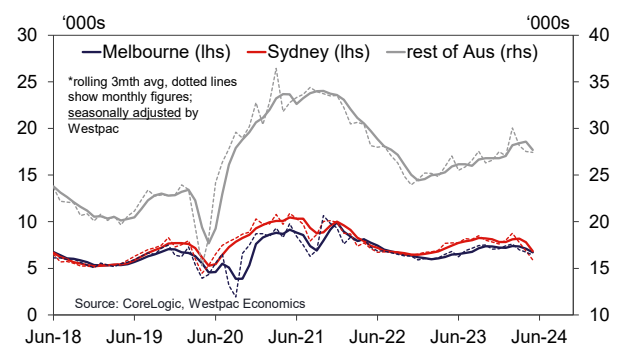
Dwelling prices: by property value, 3mth ann'd



Residential property: listings and sales



Residential property: sales



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