

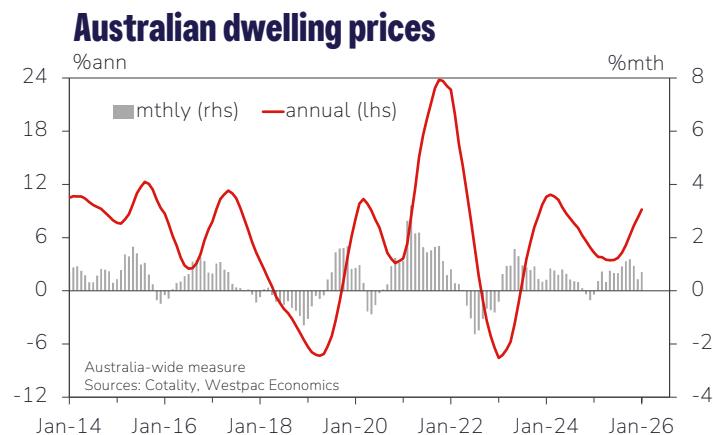
2 February 2026

AUSTRALIAN DWELLING PRICES BULLETIN

Uncertain slowdown

Key points

- The Cotality home value index rose 0.7% in Jan, following a 0.4% rise in Dec and 0.9-1.2% gains over the previous four months.
- Renewed rate rise concerns have checked market momentum but the extent of the slowing remains uncertain, all the more so given the less reliable data flow over the Summer 'off season'.
- This uncertainty will take some time to clear. The auction market reopening in mid-Feb will be an important early test for the Sydney and Melbourne markets (noting that these have seen a more pronounced slowing to price growth). For the wider national performance though, the Feb Cotality update on March 1 will be more instructive.



Jan Cotality home value index: +0.7%mth; +9.2%yr

Summer doldrums make trends hard to pick



Matthew Hassan
Head of Australian Macro-Forecasting

The Cotality home value index, covering the eight major capital cities, rose 0.7%mth in Jan, following a 0.4% rise in Dec and 0.9-1.2%mth gains through Aug-Nov. Despite the softer tone in recent months, annual growth still lifted, rising to 9.2%yr. 'Thin' trading over the Summer period and the difficulty of adjusting for seasonal effects means the Jan data is much less reliable than usual. We strongly recommend waiting for the Feb round of updates to get a better sense of how markets are tracking in 2026. Accordingly, we are only giving a cursory summary of the Jan results.

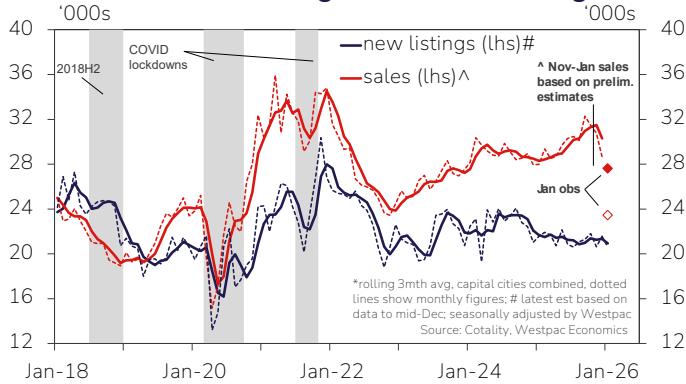
Note that, unless specified, the figures in titles, tables and the commentary below are in non-seasonally adjusted terms, consistent with the 'headline' figures reported by Cotality. Figures in charts are in seasonally adjusted terms.

As the chart bottom right shows, seasonal effects are making it very hard to judge trends. The headline price measure, which is on an unadjusted basis, shows price growth has stalled to a 5% annual pace over the last three months. On a seasonally adjusted basis it is holding a touch above 10%. Note that both unadjusted and adjusted measures have been subject to significant revisions in the past.

For the record, the detail continues to show slower price growth in Sydney and Melbourne and relatively robust monthly gains in Brisbane, Adelaide and Perth. The slowdown since late last year has also been more pronounced for houses (vs units) and for 'top tier' properties (over and above the effect of a more pronounced slowing in Sydney-Melbourne).

Sales look to have been significantly lower than usual this Jan with preliminary modelled estimates of volumes across the major cities down ~20% on last year. The same heavy caveats apply to these estimates which do tend to be revised up. Even so, the data suggests the changed interest rate outlook has seen a quieter than usual Summer housing market.

Australian dwellings: sales and listings



Cotality home value index: Jan 2026

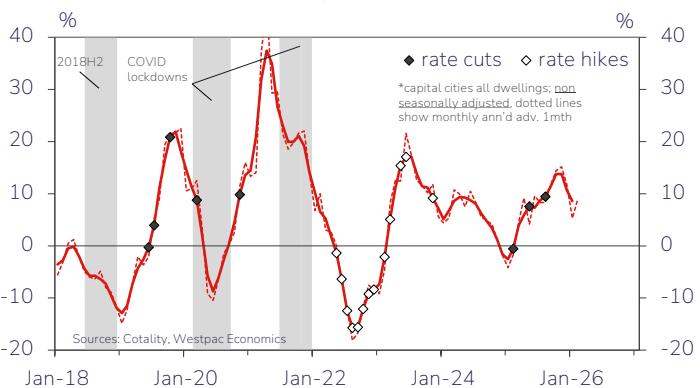
	%mth				%ann			
	Oct	Nov	Dec	Jan	Oct	Nov	Dec	Jan
Australia*	1.2	0.9	0.4	0.7	6.2	7.4	8.2	9.2
seas. adjusted	1.1	1.1	0.9	0.9	6.2	7.4	8.2	9.1
- houses	1.3	1.0	0.5	0.8	7.0	8.2	9.2	10.2
- units	0.9	0.6	0.4	0.5	3.6	4.5	5.2	5.8
Major capital cities								
Sydney	0.7	0.3	-0.3	0.2	4.6	5.4	5.7	6.4
Melbourne	0.7	0.2	-0.2	0.1	3.9	4.5	5.0	5.4
Brisbane	2.0	1.9	1.5	1.6	11.6	13.2	14.5	15.7
Adelaide	1.2	1.7	1.8	1.2	6.4	7.6	8.5	9.7
Perth	2.7	2.9	2.0	2.0	10.7	13.7	16.2	18.5
Turnover[^]	2.0	3.6	-2.6	-7.6	10.2	12.1	7.4	2.8

* combined capital cities

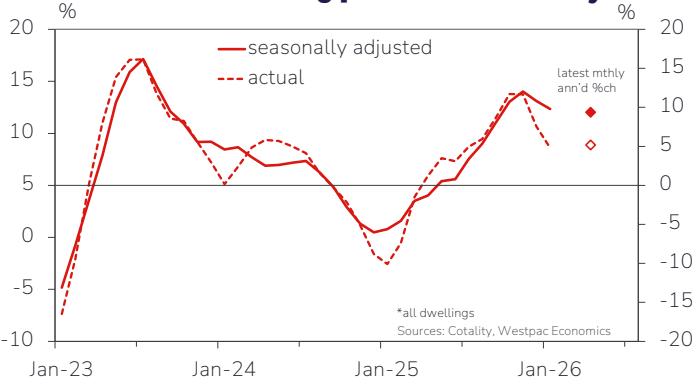
Sources: Cotality, Westpac Economics.

[^] rolling 3mth total, %3mth and %ann ch, seasonally adjusted by Westpac.

Australian dwelling prices: 3mth ann'd



Australian dwelling prices: seasonality





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