

# Absa House Price Index - November 2015

## Price levels in November 2015



Small (80m<sup>2</sup>-140m<sup>2</sup>):  
**R877 000**



Medium (141m<sup>2</sup>-220m<sup>2</sup>):  
**R1 241 000**



Large (221m<sup>2</sup>-400m<sup>2</sup>):  
**R1 989 000**

## Price growth

Nominal year-on-year house price growth in November

**1.8%** small category

**3.9%** medium category

**8.3%** large category

Month-on-month nominal price growth in the middle-segment was down to less than **0.1%** in November, contributing to declining year-on-year price growth



## Real price growth in October 2015

 **-1.6%** small category

 **-0.9%** medium category

 **2.9%** large category

## Factors currently impacting the property market



Low economic, employment and income growth



Inflationary pressures



Higher interest rates



Consumer financial strain



Low consumer confidence



Housing and mortgage finance affordability

## Outlook for house prices

Nominal price growth forecast at around 5% to 6% in 2016, with the risk for price growth to the downside on the back of economic and consumer sector trends and outlook



Severe pressure on real price growth expected in 2016 due to inflationary pressures and continued relatively low nominal price growth