



## **Stock Levels Suggests Heat Coming out of Market**

**SQM Research Stock on Market May 2014 Media Release**

**Tuesday <sup>3rd</sup> June 2014**

**For Immediate Release**

The number of Australian residential property listings rose during May, with national stock on market coming to a total of 366,413 . a monthly increase of 5.2%. However, this predominantly due to the five Fridays in May as opposed to the usual four, meaning an extra week to gather listings making for a larger sample. Friday is a critical day for real estate listings as it is a day when many new listings for the weekend emerge.

City	May 2013 Total	April 2014 Total	May 2014 Total	Monthly Change %	Yearly Change %
Adelaide	17,959	16,182	16,879	4.3%	-6.0%
Brisbane	27,766	25,852	27,955	8.1%	0.7%
Canberra	3,998	3,283	3,542	7.9%	-11.4%
Darwin	1,268	1,407	1,543	9.7%	21.7%
Hobart	4,696	4,422	4,499	1.7%	-4.2%
Melbourne	48,551	44,622	47,492	6.4%	-2.2%
Perth	21,001	20,507	22,207	8.3%	5.7%
Sydney	27,468	22,762	25,699	12.9%	-6.4%
<b>National</b>	<b>373,096</b>	<b>348,222</b>	<b>366,413</b>	<b>5.2%</b>	<b>-1.8%</b>

Taking this into account and closely observing the year on year result, SQM Research is of the opinion that these figures reveal stagnation in stock levels, and that the frenzy in the market that was in play during the corresponding period in 2013 is dissipating.

With a 21.7% yearly increase, the only capital city to experience a radical rise in listings since May 2013 is Darwin, where stock level increases have been an ongoing trend for some time now.



Conversely, Canberra is experiencing the most substantial decrease in stock listings since this time last year, with a -11.4% decrease, which is a surprise given the ongoing expected downturn.

### **Asking Prices**

In conjunction with this, SQM Research's Asking Prices Index revealed that House and Unit prices have continued to more or less stand still on a capital city average level month-on-month . recording a mere 0.7% increase for houses and 0.5% increase for units.

As these results are a continuation of what occurred in the month preceding (April 2013) SQM Research can now safely begin to assume that the market may well be entering into a potential lull.

To see the Asking Prices Capital City breakdown, click here .

[http://sqmresearch.com.au/graph\\_median\\_weeks.php?avg=1&t=1](http://sqmresearch.com.au/graph_median_weeks.php?avg=1&t=1)

Louis Christopher, managing director of SQM Research says, *"Some heat has come out of the national housing market as SQM Research is no longer recording the large scale, year on year decreases in listings that was occurring this time last year. Right now, it appears to be a market that is steady and not too strong yet not too weak. At this stage I don't believe the market is at the point where an upward pressure would be placed on interest rates."*

### **Key Points**

- Total online residential listings increase during the month of May, recording a rise of 5.9% and coming to a total of 366,413.
- This figure represents a decrease of -1.8% when compared to the corresponding period of the previous year (May 2013).
- Sydney recorded the highest monthly rise in listings of all capital cities, increasing by 12.9% during May 2014 and coming to a total of 25,699.
- No capital city recorded a monthly decrease in stock levels, however Hobart recorded the most modest monthly increase, rising by 1.7% and coming to a total of 4,499.
- Darwin was the capital city to record the highest yearly increase in stock levels, climbing 21.7% since the corresponding period of the previous year (May 2013) and coming to a total of 1,543.
- Canberra has recorded the most substantial yearly decrease in stock levels, falling by -11.4% since the corresponding period of the previous year (May 2013) and coming to a total of 3,542.



[www.sqmresearch.com.au](http://www.sqmresearch.com.au)

### About SQM Research

SQM Research is an independent property research house which specialises in providing accurate property related research and data to financial institutions, property professional, real estate investors and the media.

It is owned and operated by one of the country's leading property analysts, Louis Christopher.

For six years Louis was Head of Research and then General Manager of Australian Property Monitors before leaving the firm to launch SQM Research, A leading residential property data researcher fund manager ratings house specialising in ratings for property related funds.

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