



the voice of the industry

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MEDIA RELEASE

New Home Sales Remain Slow

“Sales for the three months to July increased by 6.1 per cent on the preceding quarter and remained down by 12.8 per cent compared to this time last year,” stated HIA’s Chief Economist, Tim Reardon.

The HIA New Home Sales report – a monthly survey of the largest volume home builders in the five largest states – is a leading indicator of future trends in the residential building industry.

“The increase in the most recent three months reflects the distortion in home sales created by the Federal election in May,” added Mr Reardon.

“The small improvement in sales in the three months to July, suggests that the decline in new home sales that has been underway for more than a year, has started to slow, however, this is not an indication that the market is at the bottom of this cycle.

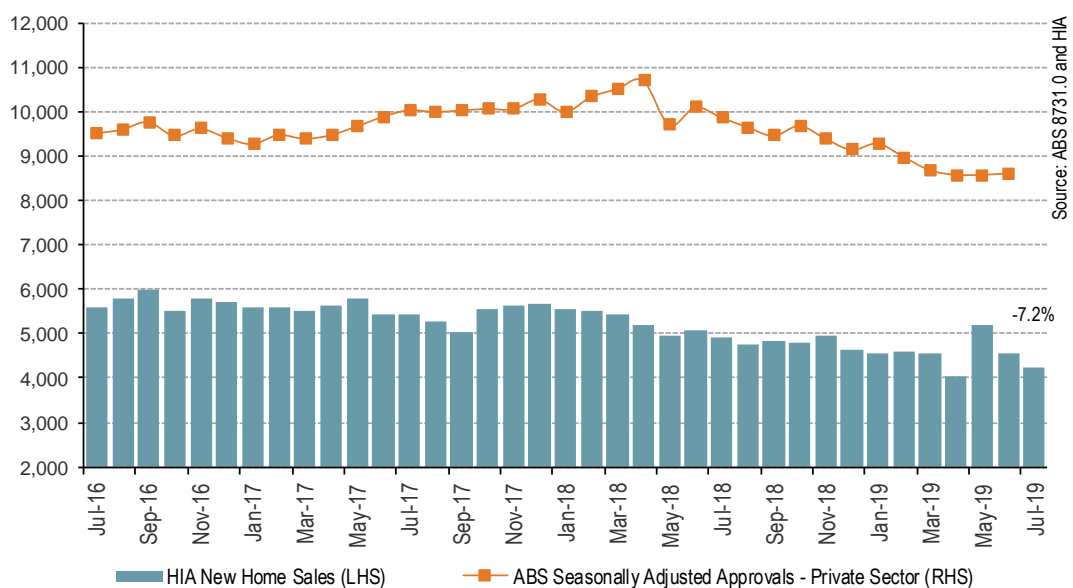
“New home sales fell in the month of July by 7.2 per cent compare to the previous month and well down from levels experienced earlier this year.

“The two interest rates cuts, a tax cut and the repeal of regulatory restrictions have not yet flowed through will encourage increased activity in the home building market.

“These measures, combined with ongoing stable population and employment growth should see new home sales improve toward the end of the year,” concluded Mr Reardon.

Around the states, new home sales rose in the three-months to July 2019 compared to the previous quarter in New South Wales, (+12.7 per cent), Victoria (+5.4 per cent), Queensland (+4.1 per cent) and Western Australia (+9.5 per cent). South Australia which has managed to withstand the majority of the declines thus far is down by 4.5 per cent in the three-months to July 2019 compared to the previous three months but is up by 10.1 per cent compared to the same period last year.

PRIVATE NEW HOUSE SALES - AUSTRALIA (SEASONALLY ADJUSTED)



For further information please contact:

Tim Reardon, Chief Economist
Angela Lillicrap, Economist

0423 141 031
0404 406 567

