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HIA New Home Sales Bounce Back in November

The HIA New Homes Sales Report – a survey of Australia’s largest home builders – shows a strong bounce in November 2016, said the Housing Industry Association, the voice of Australia’s residential building industry.

“Following a dip to a two year low last October, the November bounce in new home sales is a reminder that the national new home construction sector remains in strong shape,” said HIA Chief Economist, Dr Harley Dale. “The sector may have just passed its peak, but the short term outlook is a healthy one, a conclusion supported by other leading indicators such as the ABS measures of Building Approvals and Housing Finance.”

The November update for the HIA’s monthly New Home Sales survey shows a 6.1 per cent bounce in seasonally-adjusted new home sales. Over the three months to November 2016 the total number of new home sales fell by 0.7 per cent to be down by only 0.2 per cent when compared to the same three month period in 2015.

“At this stage of the new home building cycle that’s a very impressive result – this is already the largest and longest national new home construction cycle in history.”

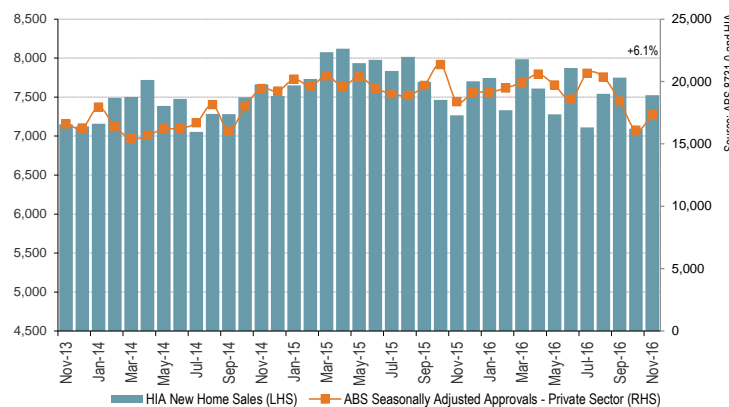
“A healthy outlook for new home construction in the first half of 2017 is good news for the Australian economy, because of the huge impact that new home construction has on broader economic activity. Without the boost from housing over the last five years the domestic economy would have at some point slipped into recession.”

“You wouldn’t want to be seeing signals of an imminent and sharp slowdown in national new home building activity, and we’re not. Looking further out, the declines in construction activity will inevitably become chunkier,” concluded Harley Dale.

In November 2016 new detached house sales increased by 5.2 per cent, while sales of multi-units were up by 9.3 per cent.

Seasonally-adjusted new detached house sales increased in four out of five mainland states in November 2016. New South Wales was the exception with a decline of 5.9 per cent. In November last year detached house sales increased by 17.9 per cent in Queensland, 4.7 per cent in Victoria, 4.2 per cent in Western Australia, and 4.0 per cent in South Australia.

PRIVATE NEW DWELLING SALES - AUSTRALIA (SEASONALLY ADJUSTED)



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