

The Australian Bureau of Statistics (ABS) House Price Index (HPI) monitors the movement in prices for established homes and for the construction of new homes in each capital city statistical division (SD). The Darwin SD includes Darwin, Palmerston and Litchfield.

Summary

In the December quarter 2011, all capital city SDs reported annual declines in house prices with the largest fall recorded in Brisbane with an annual decline of 6.7 per cent. The declines in the other capital cities were: Adelaide (6.4 per cent), Melbourne (6.1 per cent), Darwin (5.4 per cent), Perth (4.9 per cent), Hobart (4.0 per cent), Sydney (2.7 per cent) and Canberra (2.6 per cent). The annual decline of the eight capital's HPI was 4.8 per cent.

In the Darwin SD, annual growth in established house prices has been moderating since the December quarter 2010 (Chart 1). The moderation in house price growth reflects increased willingness to save by the household sector, and the effects of moderating employment and population growth.

Established House Price Index

	Darwin	Aust
Change in the quarter	↓1.4%	↓1.0%
Annual change	↓5.4%	↓4.8%

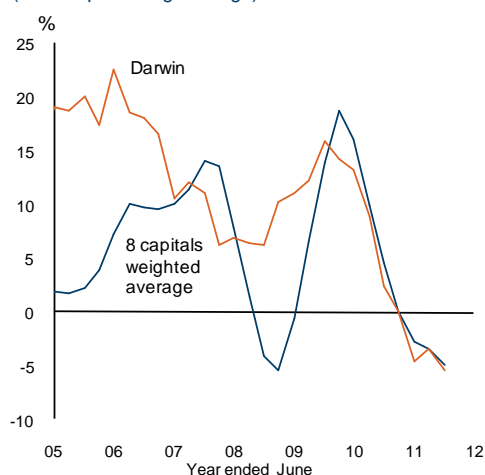
Compared to the September quarter 2011, established house prices in the Darwin SD declined by 1.4 per cent in the December quarter 2011. In annual terms, the Darwin SD recorded a decline of 5.4 per cent. The Brisbane SD recorded the largest annual decline of 6.7 per cent while the Adelaide SD recorded a 6.4 per cent decline. The decline in the Brisbane SD was affected by flooding in the region in early 2011 (Chart 2). However, the ABS states that it is not possible to isolate the effect of the floods in parts of Brisbane's SD from an overall decrease in market activity.

Construction of New Homes (Project Homes) (Excluding land value)

	Darwin	Aust
Change in the quarter	↑0.1%	↑0.2%
Annual change	↑0.8%	↑1.5%

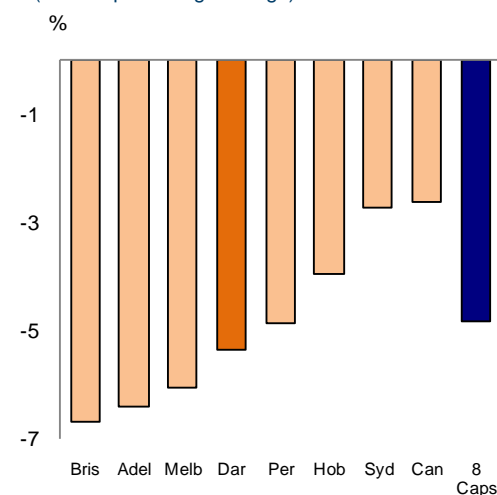
The ABS reports that the price of construction of a new home (excluding land) in the Darwin SD increased by 0.1 per cent in the December quarter 2011, while annual growth moderated to 0.8 per cent. In comparison, the eight capital cities SD price for construction of a new home (excluding land) increased by 0.2 per cent in the quarter, while moderating to 1.5 per cent through the year (Chart 3).

Chart 1: Established House Price Index (Annual percentage change)



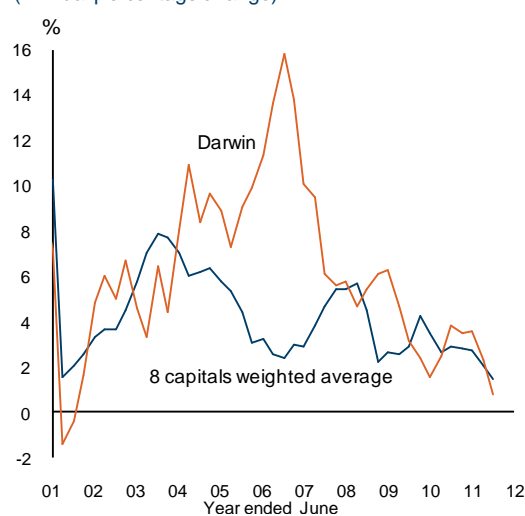
Source: ABS Cat. No. 6416.0

Chart 2: Established House Price Index (Annual percentage change)



Source: ABS Cat. No. 6416.0

Chart 3: New House Price Index (Annual percentage change)



Source: ABS Cat. No. 6416.0

Table 1: Established House Price Index

	December Quarter		change		
	quarter	year average	quarterly ¹	annual ²	year on year ³
Darwin	211.8	215.0	-1.4%	-5.4%	-3.4%
Sydney	113.5	115.3	-1.0%	-2.7%	-0.9%
Melbourne	165.9	170.2	-1.6%	-6.1%	-2.7%
Brisbane	141.7	145.5	-1.3%	-6.7%	-4.9%
Adelaide	152.8	156.5	-1.6%	-6.4%	-3.4%
Perth	192.8	194.9	0.5%	-4.9%	-5.2%
Hobart	155.3	156.3	0.8%	-4.0%	-1.5%
Canberra	144.1	145.7	0.7%	-2.6%	-1.0%
8 Capitals	141.6	144.5	-1.0%	-4.8%	-2.7%

¹ compares the latest quarter with the previous quarter

² compares the latest quarter with the same quarter last year

³ compares the 4 quarters up to and including the latest quarter with the previous 4 quarter period

Source: ABS Cat. No. 6416.0

Table 2: Darwin House Prices

	Dec 10	Sep 11	Dec 11	change	
				quarterly ¹	annual ²
Australian Property Monitors (\$) ³	622 108	581 726	578 702	-0.5%	-7.0%
Australian Bureau of Statistics (index)	223.8	214.7	211.8	-1.4%	-5.4%

¹ compares the latest quarter with the previous quarter

² compares the latest quarter with the same quarter last year

³ median price

Source: Australian Property Monitors, ABS Cat. No. 6416.0

Although all due care has been exercised in the preparation of this material, no responsibility is accepted for any errors or omission.