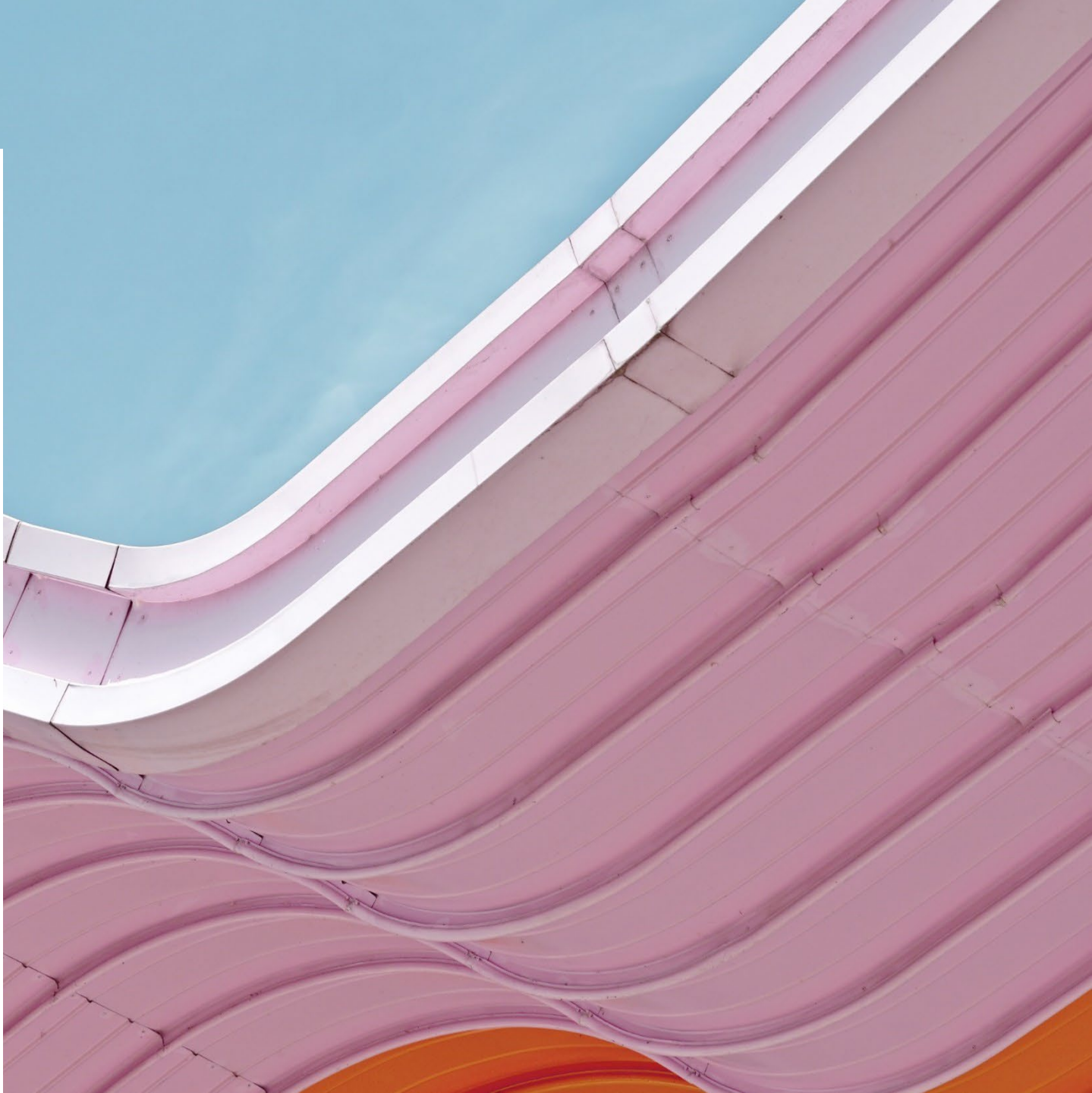




Economy and housing markets

**Bristol Planning Law & Policy
Conference**

18th May 2023



Last year's headwinds persist but have eased



The cost of covid



The cost of energy



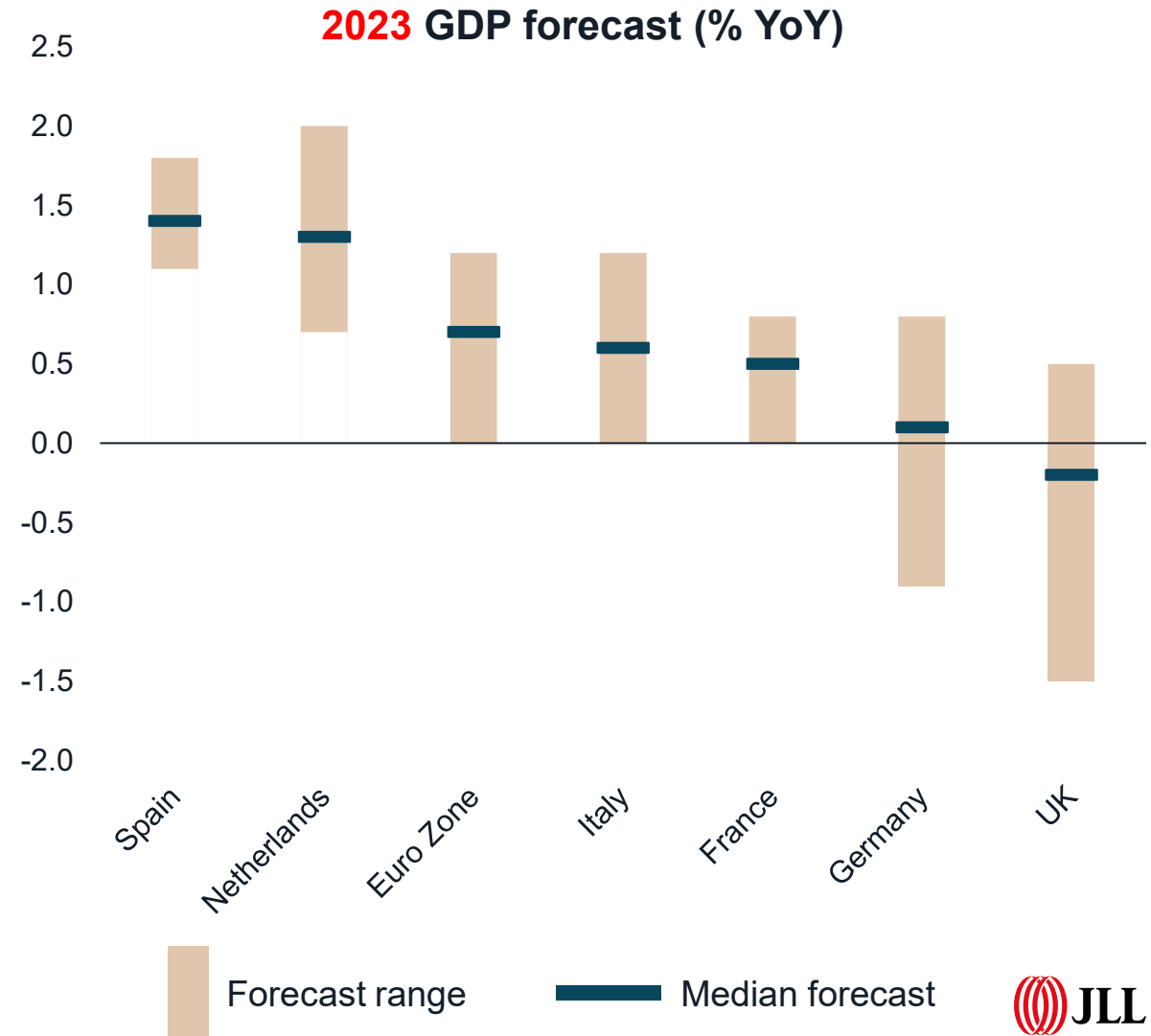
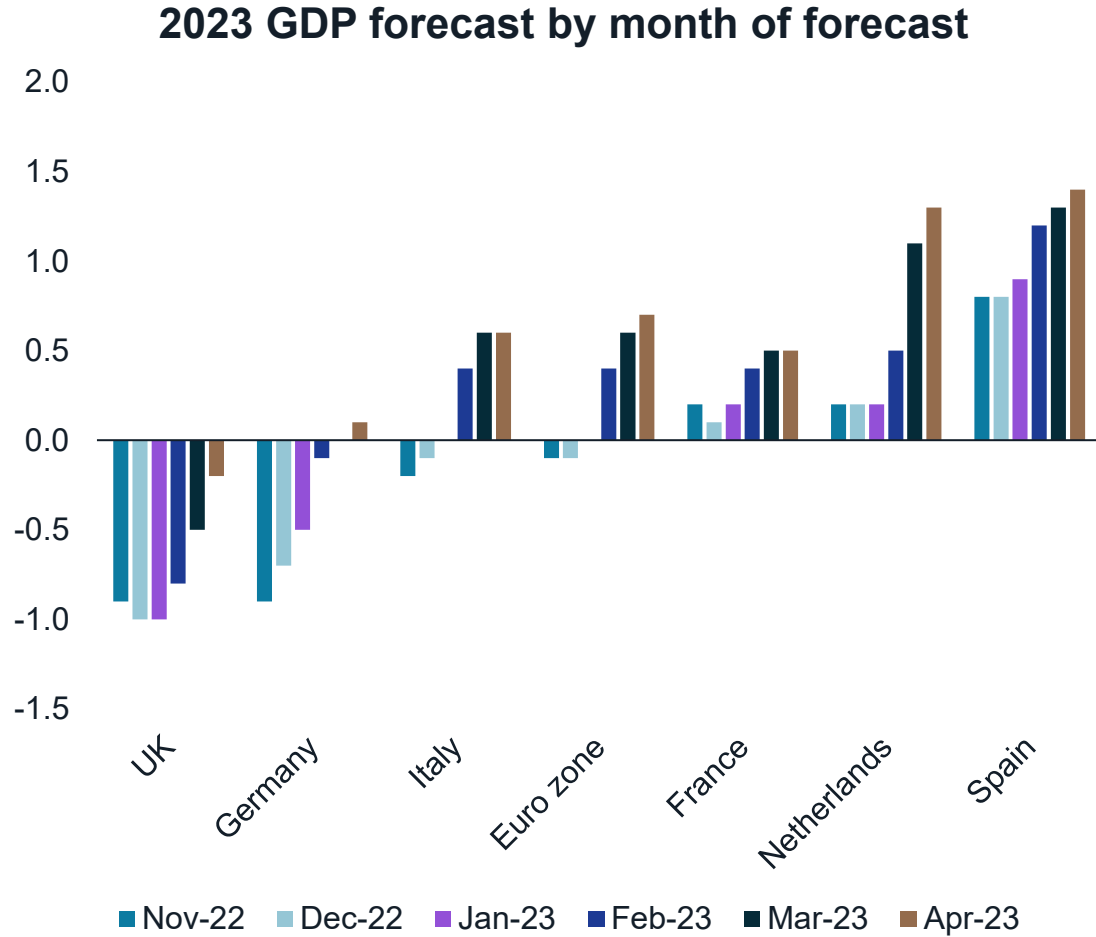
The cost of living



The cost of debt

Forecasts have improved as the year has gone on

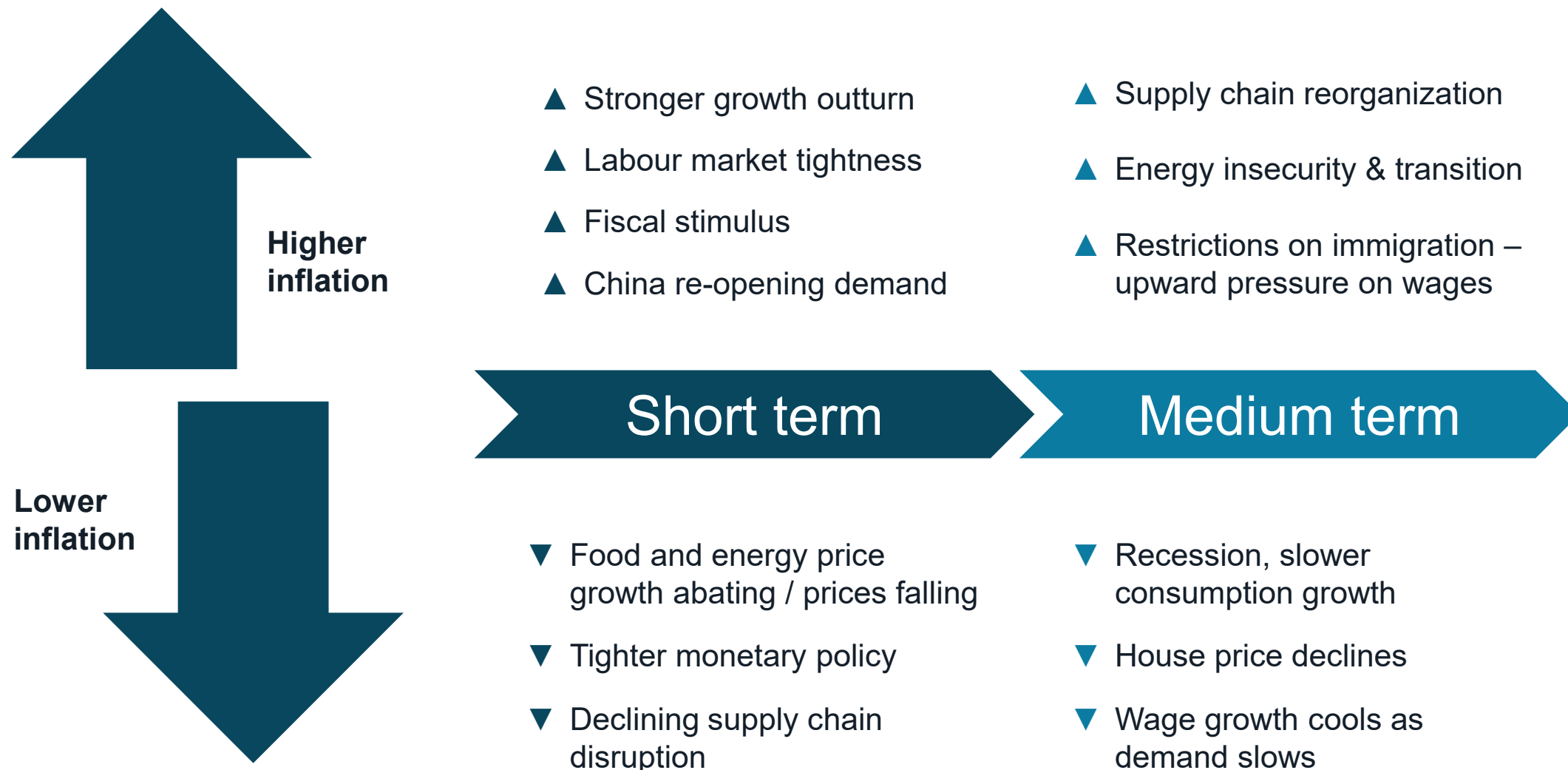
Recent wobbles may dampen the outlook slightly, but not significantly



Source: Consensus Forecasts.

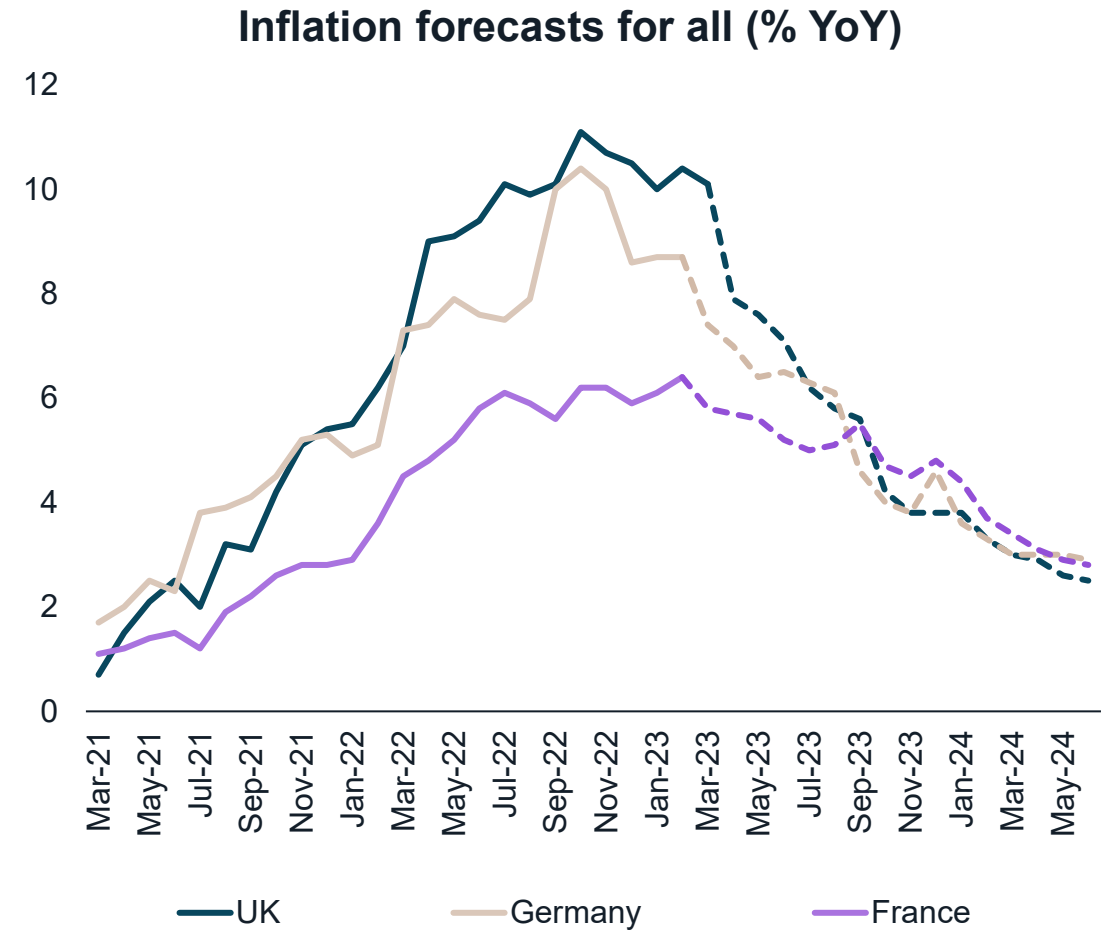
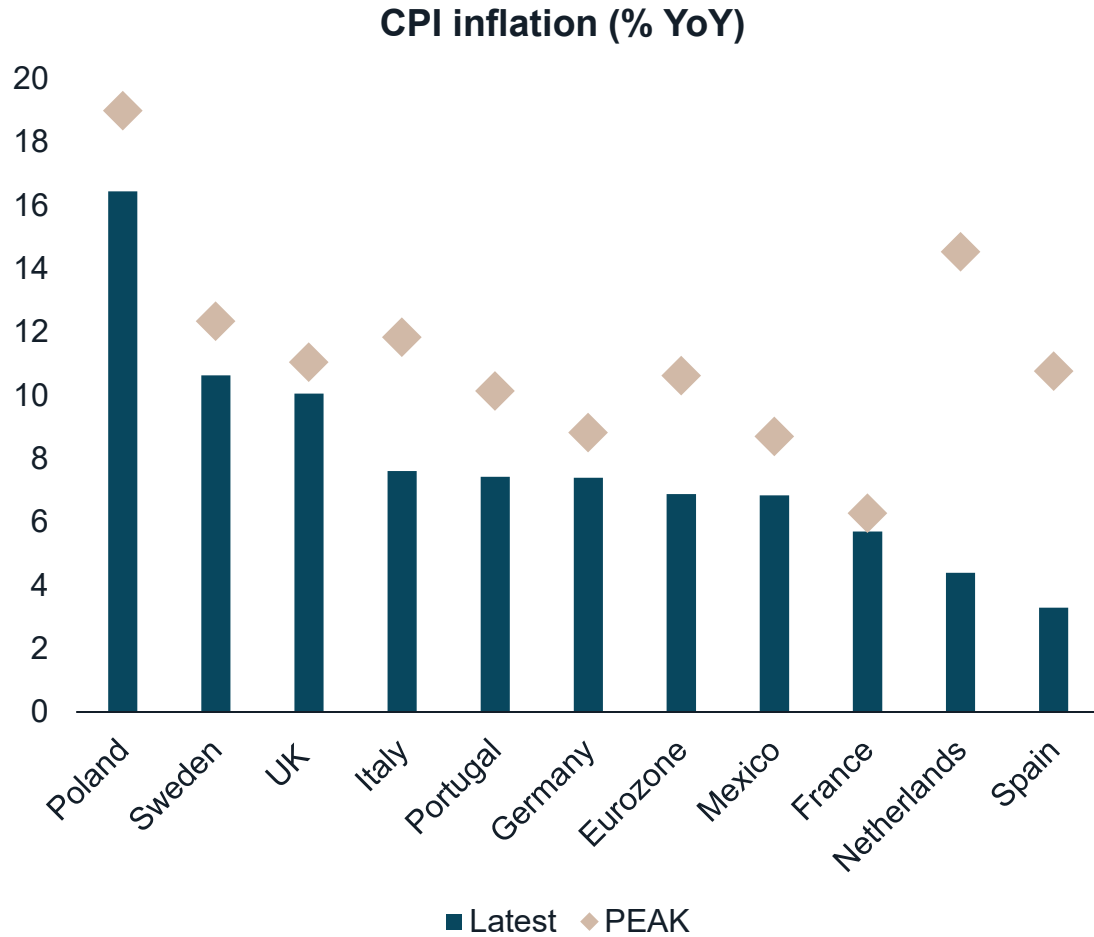


The inflation story is far from straightforward



Inflation is past its peak (just) and starting to head lower

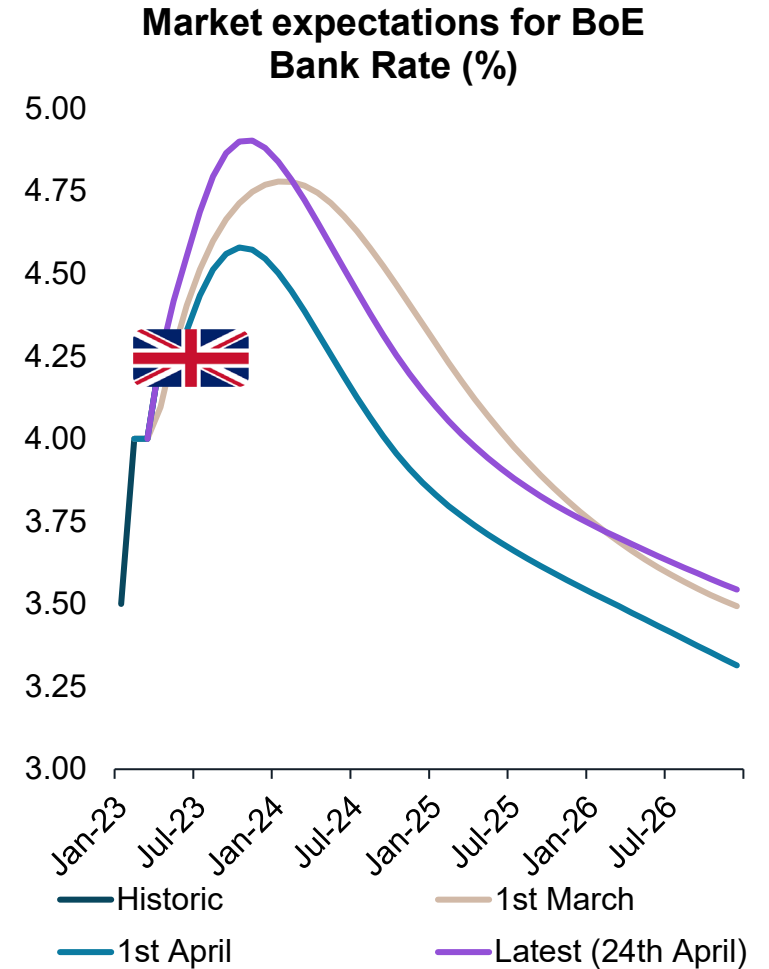
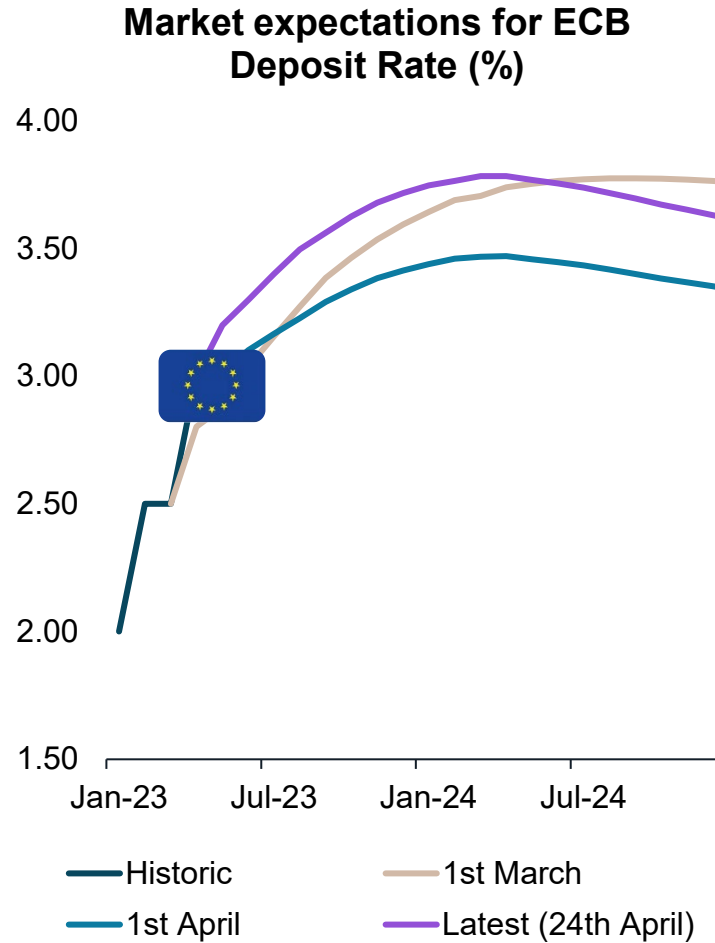
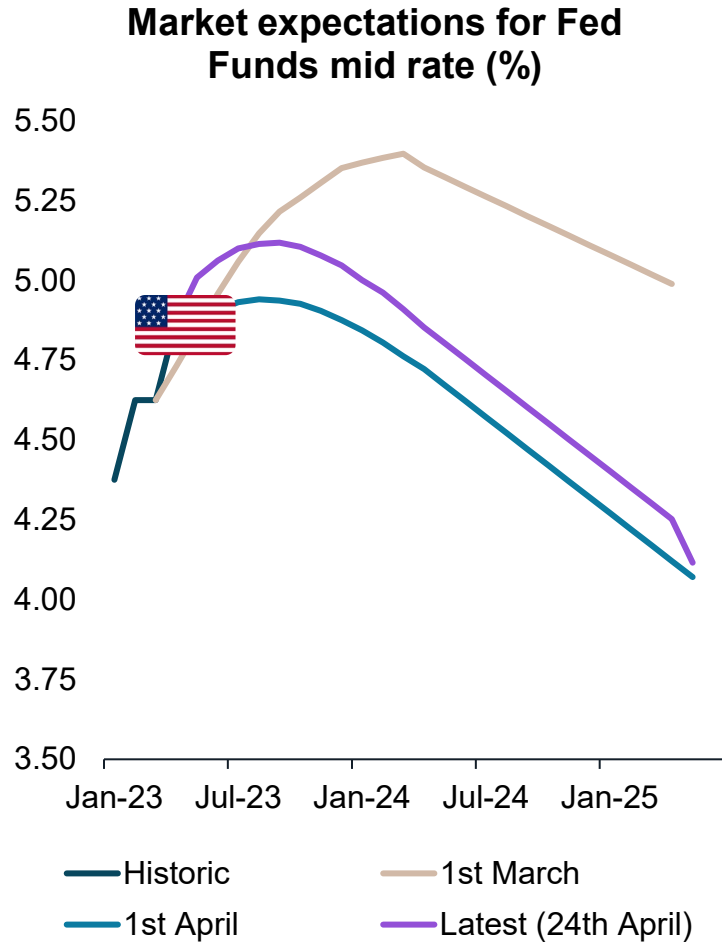
The inflationary trajectory in Europe has been very wide



Source: Consensus Forecasts, April 2023; Refinitiv; JLL.

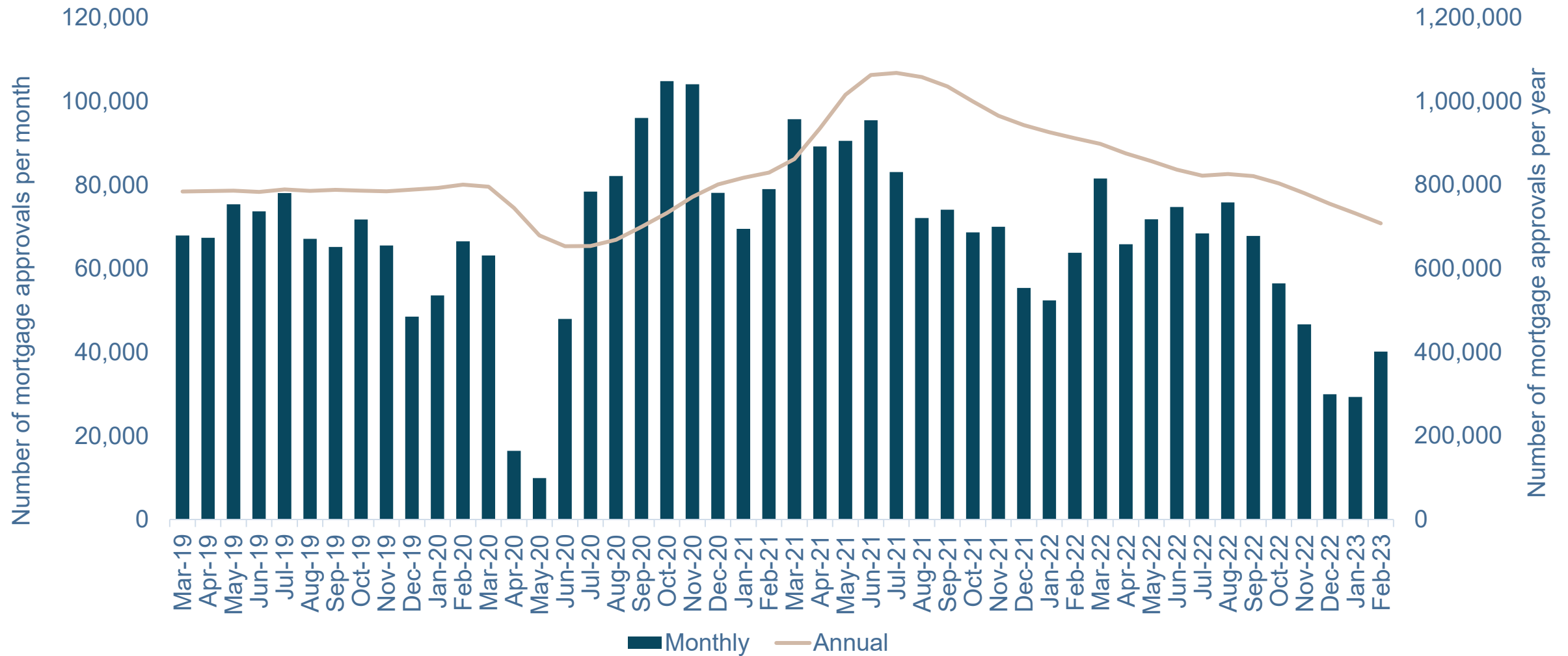
Market expectations for policy rates are volatile

The outlook is for another rate rise or two, but when and for how long is hotly debated



Source: Refinitiv. Data updated to 24.04.2023.

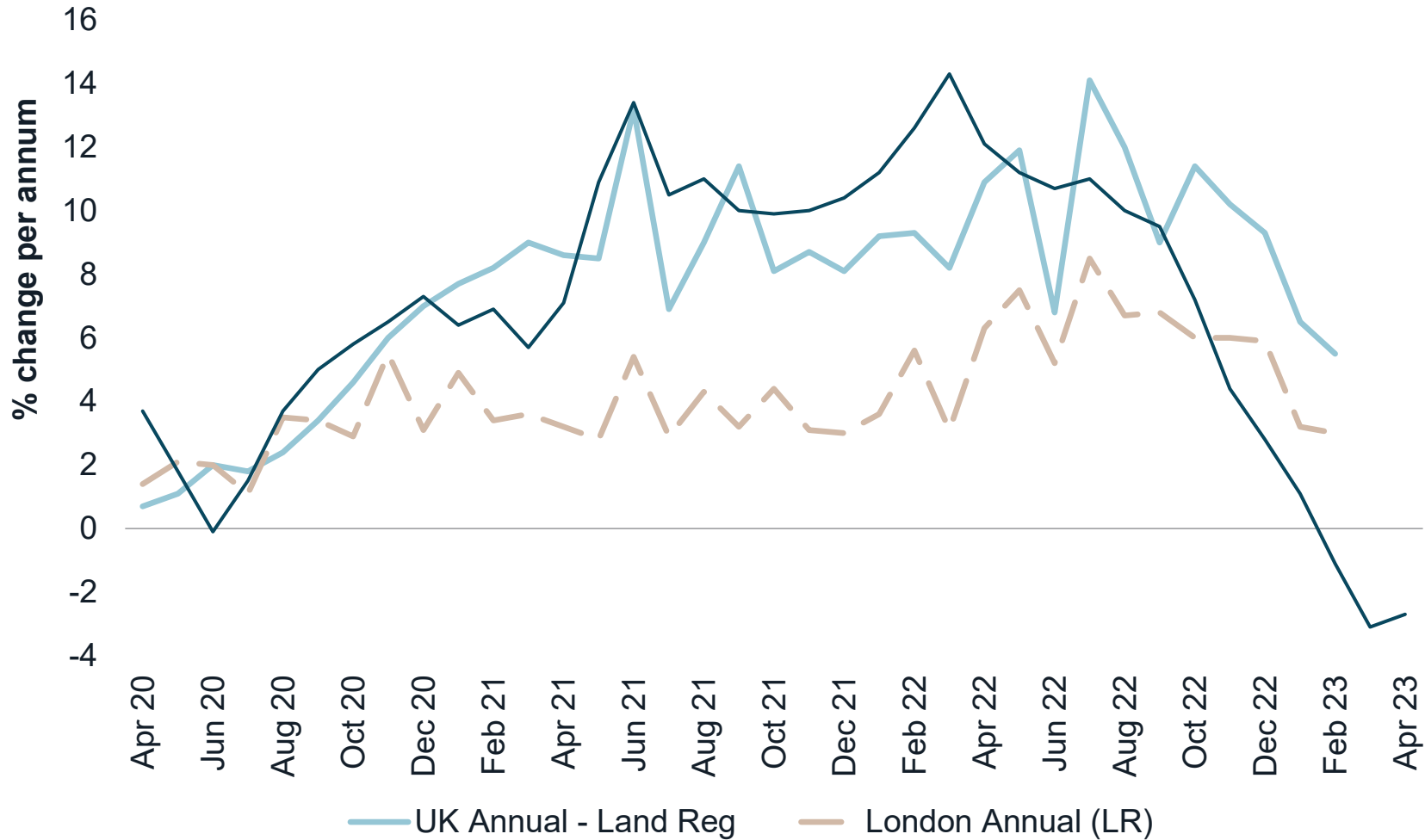
Mortgage approvals increased in February after sharp falls



Source: JLL, BoE, Building Societies Association



House prices have fallen in the UK this year



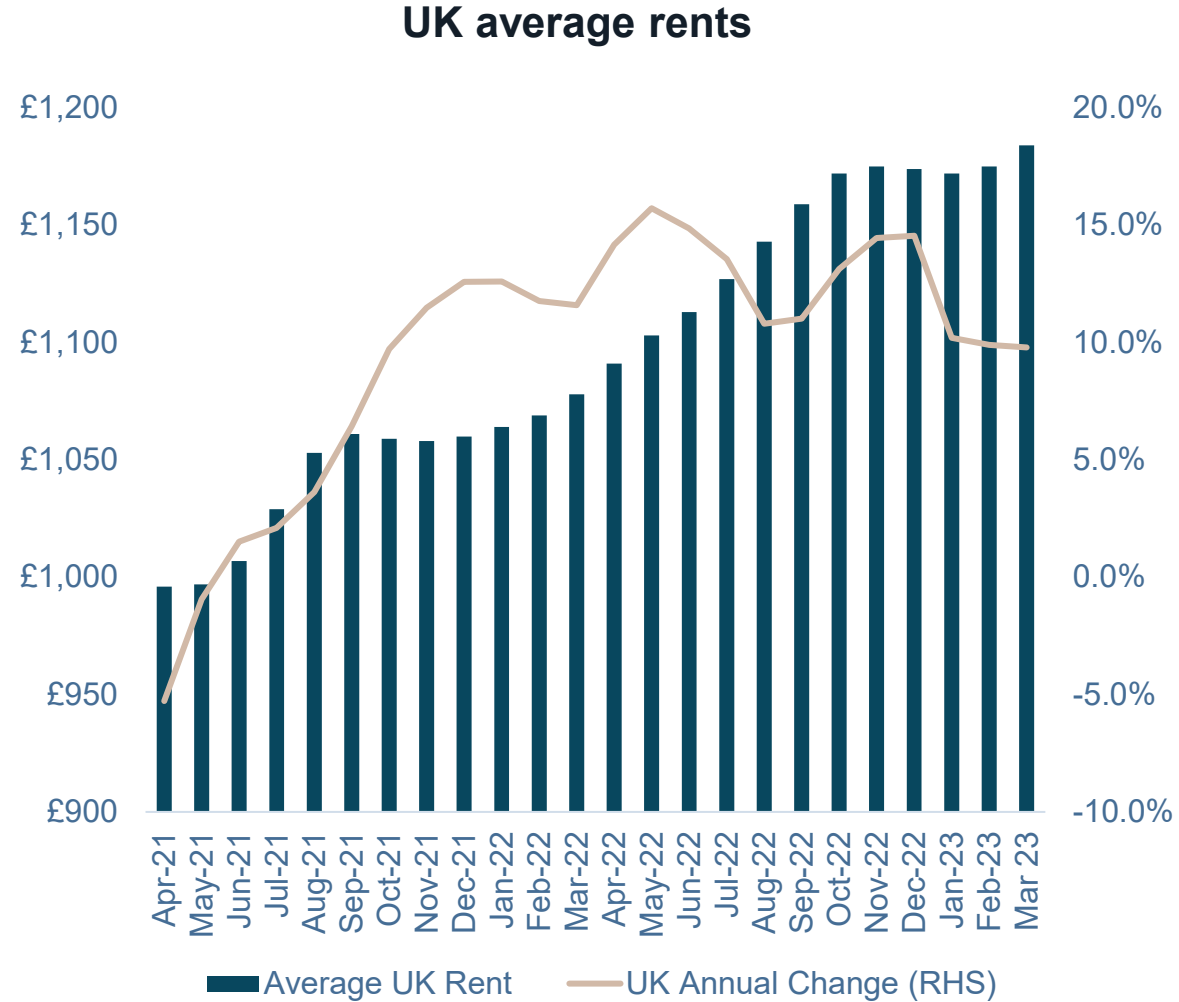
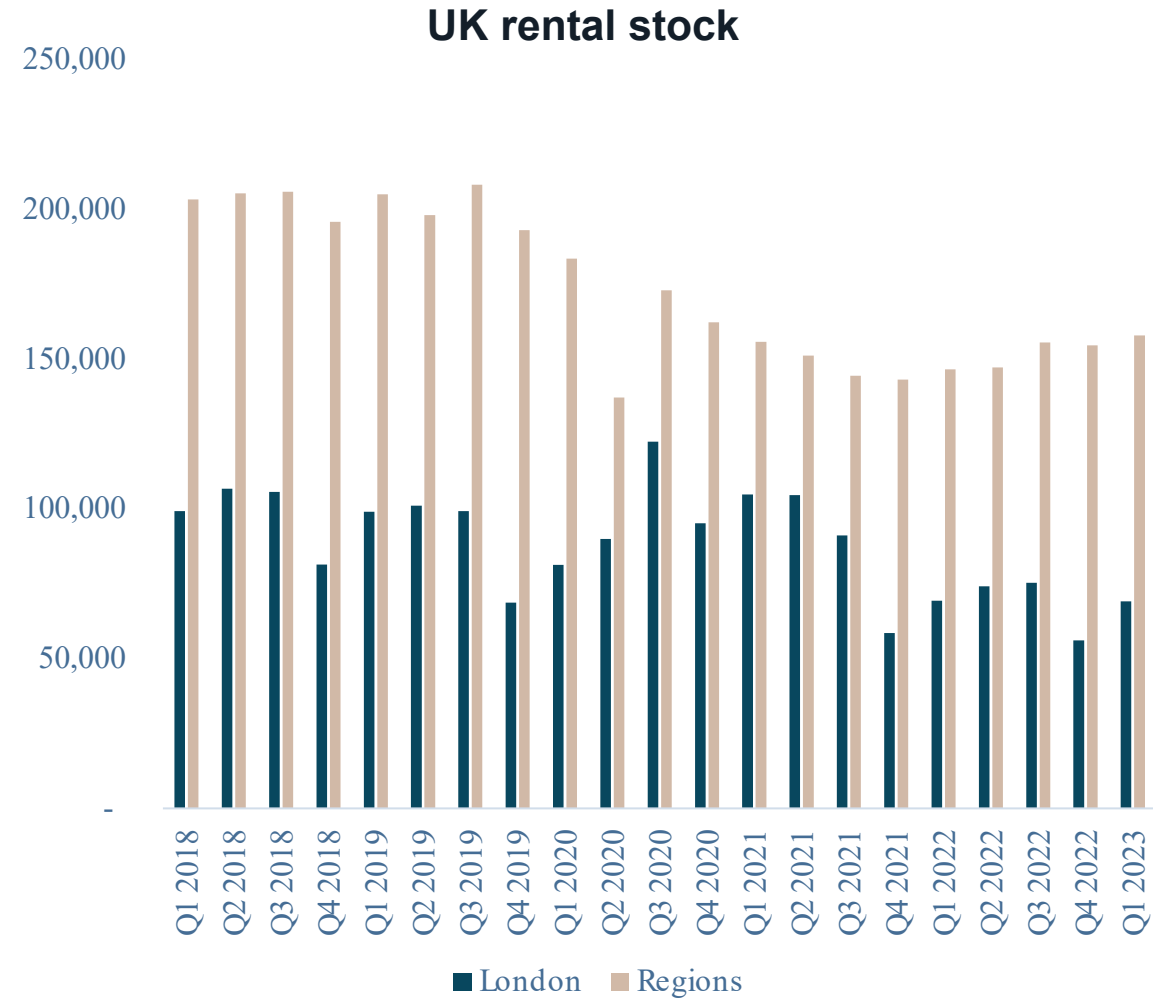
	UK house price change
YTD	-2.7%
1 year	5.5%
Pre-pandemic	27%
10 year	75%
20 year	146%

Source: JLL, Nationwide. Land Registry



Rental market continues to see growth off the back of low stock

Average UK rents increase 9.8% in the year to March 2023

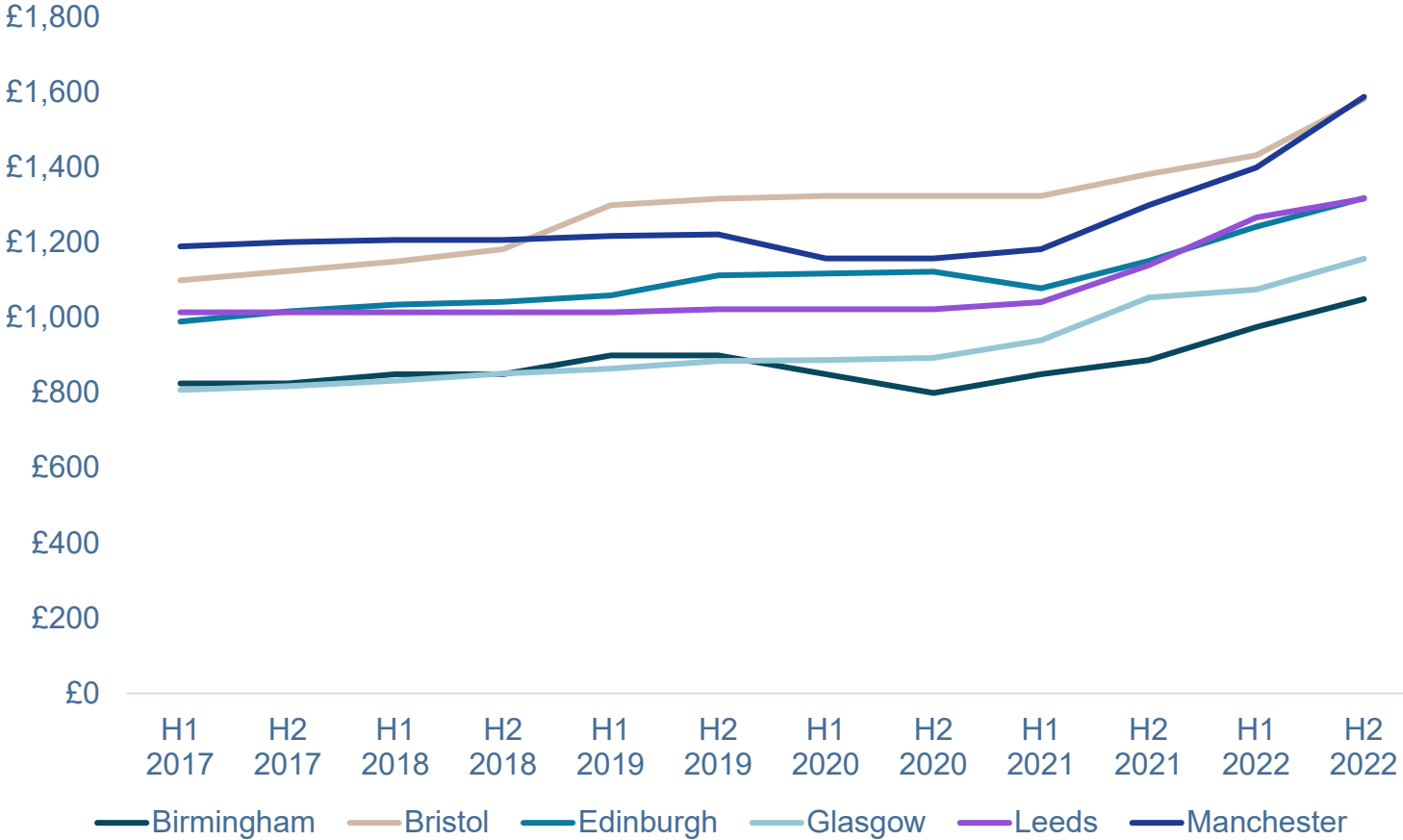


Source: JLL, Homelet



Return to the city drives growth across the Big Six

Average new build rental value



Change in average rents, last 2 years

+34%
Manchester

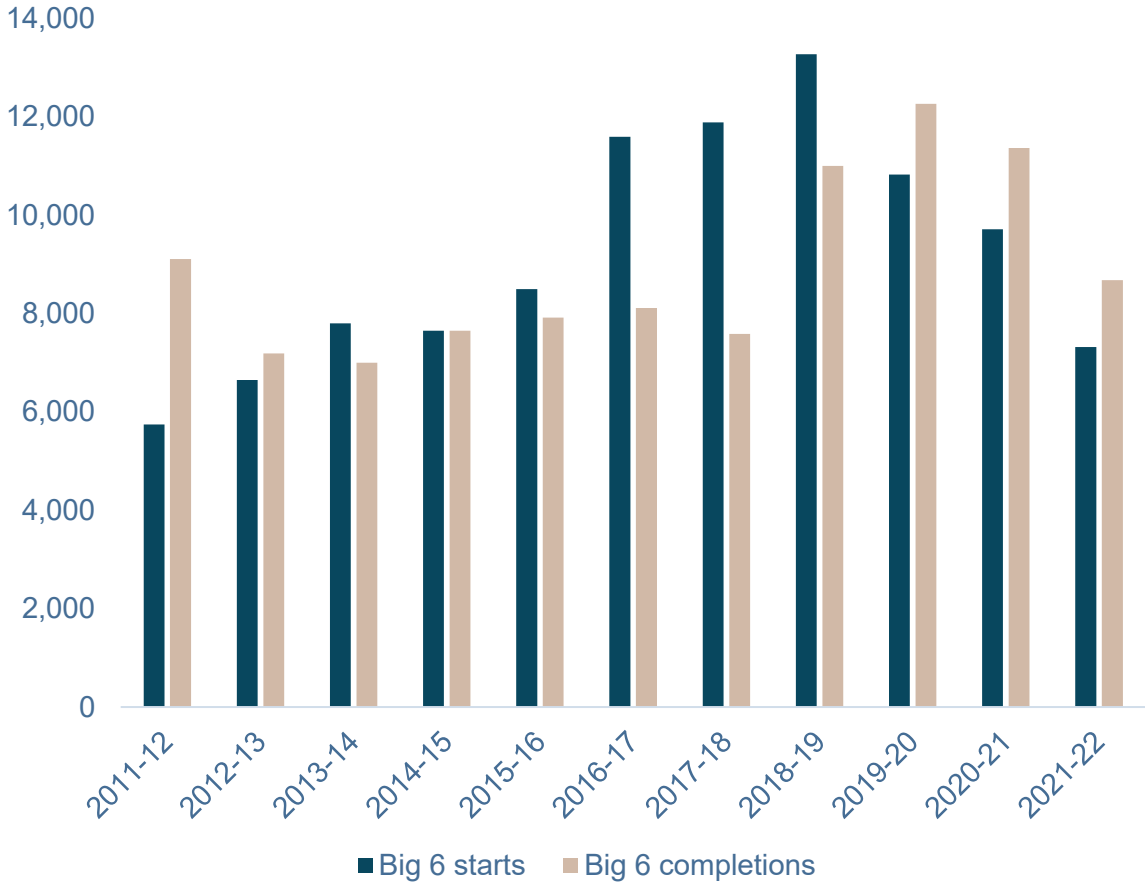
+19%
Bristol

Source: JLL Cities Index

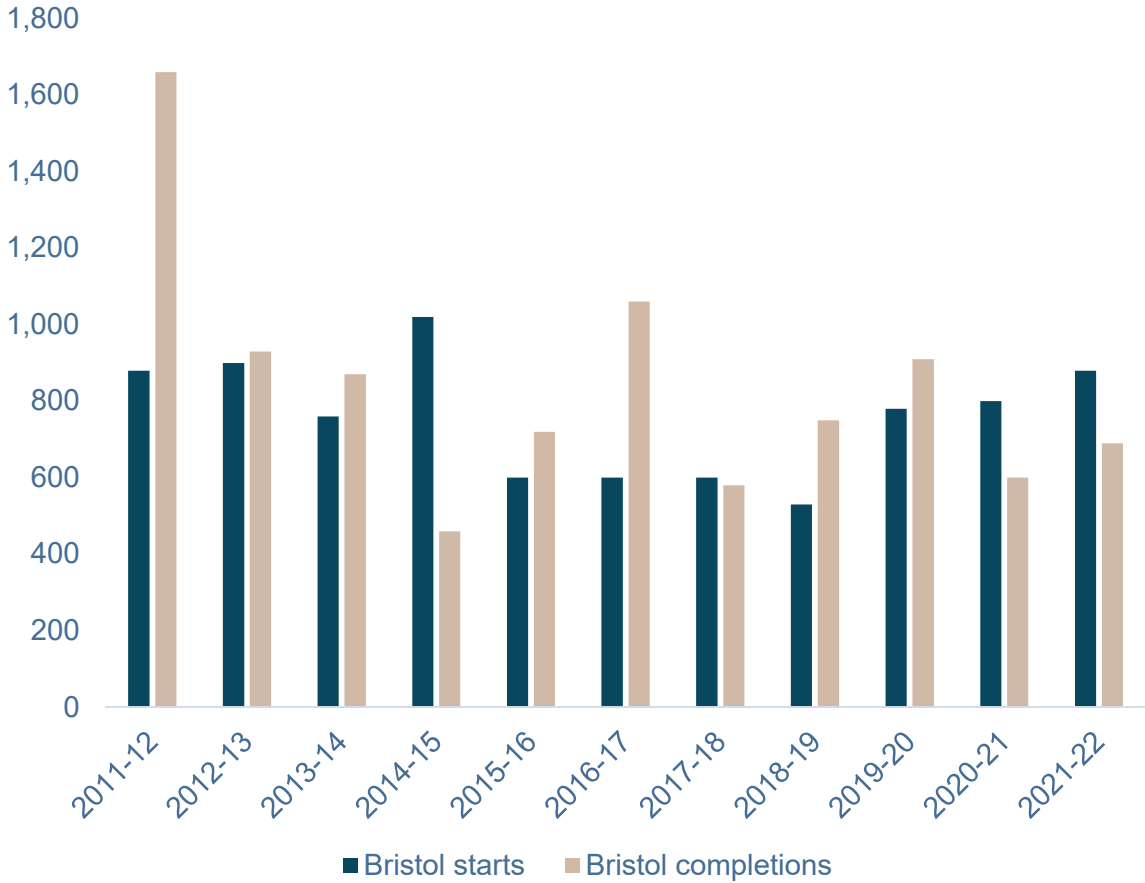


Development slows in Big 6 but stable in Bristol

Big 6 housing development



Bristol housing development



Source: JLL



Thank you

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