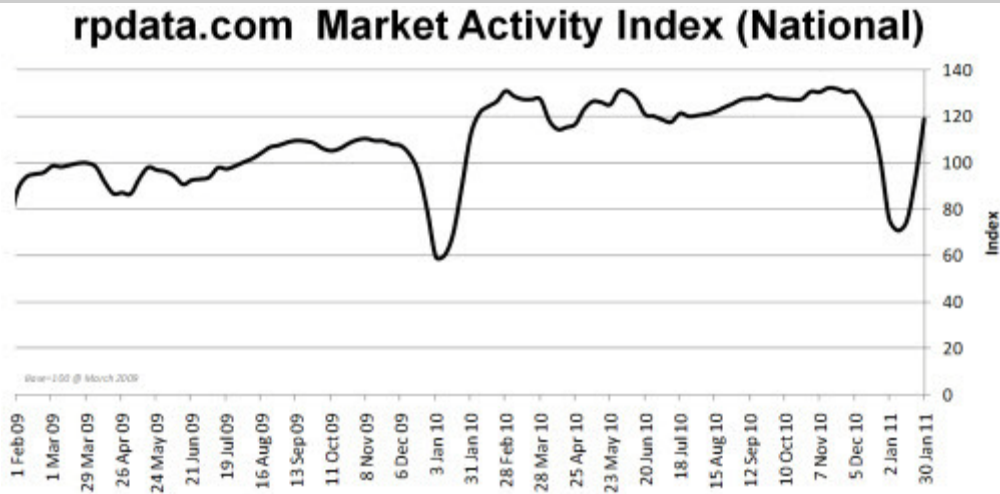


## Market Activity Index



RP Data's measure of pre-listing activity by property professionals has continued to ramp up during the final week of January. At the same time last year the Market Activity Index was -6% lower than it is currently and over the coming weeks we anticipate that the Index will continue to increase.

## Industry Market Wrap

The RP Data-Rismark Home Value Index was released on Monday of this week. The Index showed that over 2010 capital city home values increased by 4.7% on a seasonally adjusted basis and the best performing cities were Melbourne (8.4%) and Sydney (6.6%). On the other hand, Perth (-2.3%) and Brisbane (-1.0%) both recorded a fall in property values over the year. Over the 12 months, capital city house values increased by 4.7% compared to growth of 4.8% for units.

The Reserve Bank (RBA) held their first board meeting of the year on Tuesday and following the meeting they announced that official interest rates would remain on hold. In its statement, the RBA noted *'The Bank will of course continue to assess the effects of the floods and the subsequent recovery, along with all the other factors having a bearing on economic conditions. At today's meeting, the Board judged that the current stance of monetary policy remained appropriate in view of the general macroeconomic outlook.'*

The cash rate futures market was not pricing in a further 25 basis point increase to official interest rates until February 2012 as at the close of business on February 2. Despite the futures market pricing, many economists expect that further interest rate hikes by the RBA should be expected during the latter part of this year.

### [Advertised Stock on the Market](#)

The number of newly advertised properties for sale has increased by 17.6% over the most recent week as the market well and truly starts to swing back into action following the January slowdown. Despite the large increase in new listings, new stock being added to the market remains -14.6% lower than at the same time last

year. The total number of properties advertised for sale is up by 3.7% over the week. Despite the fact that new advertisements are well below the level of last year, there is clearly an overhang of unsold stock from last year with total listings 14.5% higher than at the same time last year and 1.9% higher than the 12 month average.

**Want to know what is happening on your patch? Make sure you have subscribed to RP Data's On The Market® service. [Click here](#) or phone 1300 734 318 for a free 2 week trial.**

### [Latest National Auction Clearance Rates](#)

Across the combined capital cities there were approximately 280 auctions last week. The weighted average capital city auction clearance rate was recorded at 43.3% and although we don't collect auction results over the Christmas/New Year period, clearance rates have continually been below 50% since the beginning of December 2010. Melbourne's auction clearance rate was recorded at 54.8% up from 40.7% the previous week and Sydney's was 69.0%, down from 80.0% the previous week.

**Our auction results change weekly - want to know the auction results for your local area? Log into [rpdata.com](http://rpdata.com) and go the Auction Results panel on the top right corner of the home page.**

#### **Number of properties advertised for rent**

Residential rental listings advertised over the month ending 20/01/2011  
Note that listings are based on a rolling moving count of unique properties that have been advertised for rent

State	New advertised listings		Total advertised listings	
	Last month	(Percentage)	Last month	(Percentage)
NSW	12,060	16.71%	26,326	14.13%
NT	1,000	16.47%	29,729	15.01%
VIC	12,000	13.83%	26,126	14.78%
WA	3,000	15.65%	7,729	15.35%
SA	2,000	11.20%	6,746	17.34%
ACT	500	12.76%	1,398	15.67%
Tot	41,700		86,754	
Tot	118,296		1,479,149	
Avg	64,498	154.94%	82,488	148.33%

### [Number of Properties Advertised for Rent](#)

The number of newly advertised rental properties has increased by 11.3% over the most recent week and is 3.6% higher than the 12 month average. Total rental advertisements are up by 5.6% and are 5.2% higher than the 12 month average. It's important to remember that seasonal factors are at play during this time of

year and rental advertisements are typically much higher at this time.