Australian dwelling approvals: detached dwelling approvals pull back

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Total dwelling approvals fell 3.6%mth in July, with the annual pace easing to 9.0%yr. Weakness in detached dwelling approvals was the primary drag on the headline result.

Private detached dwelling approvals fell 4.2%mth, while private unit approvals also eased, declining 0.4%mth, with divergent outcomes across high rise and low mid rise segments.

Victoria recorded the strongest result, while South Australia also posted gains. In contrast, WA, NSW and Queensland recorded declines.

The value of residential building approvals fell 4.9%mth. However, a rise in non residential approvals, led by the data centre dominated ‘other commercial buildings’ segment, saw the total value of building approvals increase 3.3%mth.

Recent RBA cash rate increases, together with ongoing elevated construction costs, continue to present risks to the outlook.

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