

APM Auction Clearance Rate - Methodology

APM publishes auction activity results for the Sydney, Melbourne, Brisbane and Adelaide capital cities every Saturday evening, providing a snapshot of how demand and supply in the auction market is behaving and as a leading indicator for the overall property market. (Auction activity for the other capital cities is also monitored and made available by mid week)

APM adopts the Australian Bureau of Statistics geographic definition for capital cities, referred to as the Statistical Division (SD). For the capital cities noted above, these regions are defined by APM as:

Sydney	Melbourne	Brisbane	Adelaide
City & East	Inner Urban	Brisbane North	Adelaide Metro North
Inner West	Inner East	Brisbane East	Adelaide Metro South
Upper North Shore	Inner South	Brisbane West	Adelaide Metro East
Northern Beaches	South East	Bayside North	Adelaide Metro West
Lower North	Outer East	Bayside South	
West	North East		
South	North		
Canterbury Bankstown	West		
South West			
Blue Mountains			
Central Coast			

APM publishes Auction Clearance Rates (ACR) on the Saturday evening, based on the majority sample collected on that day, for release across various publications on the Sunday, while the process of collecting results continues throughout the week.

When reporting auction activity, APM monitors the following five key elements that can occur to properties listed for auction. These are;

- a) Sold prior to auction;
- b) Sold at auction (under the hammer)
- c) Passed in
- d) Withdrawn from auction, or
- e) Sold after auction

Including some or all of these five elements of auction activity in the calculation used will affect the reported clearance rate.

APM's definition of the reported clearance rate calculation is defined as;

$$ACR = \frac{\text{Sold at auction} + \text{Sold prior}}{\text{All reported} + \text{Withdrawn}}$$

On the "top-line" of the clearance rate calculation, APM considers only those properties sold either prior or during the auction to be "sold at auction".

On the "bottom-line", APM includes all reported auctions (including properties passed in), and any listed auctions withdrawn prior to the scheduled auction time.

APM includes withdrawn auctions in the calculation to prevent any bias in the clearance rate caused by properties being withdrawn due to expectations it may not sell or fail to achieve an expected price. It's still counted as no sale.