

The Global Residential Cities Index tracks the movement in mainstream residential prices (in local currency) across 150 cities worldwide using official statistics.



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Global Residential Cities Index

Q2 2019

HEADLINES

Xi'an

CITY WITH THE HIGHEST RATE OF ANNUAL GROWTH IN Q2 2019 (25.1%)

3.5%

AVERAGE ANNUAL PRICE GROWTH ACROSS 150 CITIES

80%

PERCENTAGE OF CITIES THAT SAW PRICES RISE IN THE YEAR TO Q2 2019

5.9%

AVERAGE ANNUAL PRICE GROWTH ACROSS CITIES IN EMERGING MARKETS

2.0%

AVERAGE ANNUAL PRICE GROWTH ACROSS CITIES IN DEVELOPED MARKETS

Budapest (24.2%) has been usurped by the Chinese city of Xi'an (25.1%) this quarter as the city with the highest rate of annual growth according to the latest results from the Knight Frank Global Residential Cities Index.

Overall, the index continues to track lower recording average growth of just 3.5% in the year to June 2019, down from a high of 6.7% at the end of 2016. Rising economic uncertainty,

trade tensions, political crises and affordability concerns are leading to weaker sentiment in mainstream housing markets.

In Europe, Porto (13.6%), Zagreb (11.4%) and Athens (11.2%) join Budapest in the top ten. Rising from a low base, prices in all three cities still sit below their pre-financial crisis peak. Dutch and Spanish, along with Latin American capitals, also rank highly.

Of note is the widening gap between cities in the same country – this includes Wellington (9.1%) and Auckland (-2.9%), Ottawa (6.3%) and Vancouver (-4.9%), Lyon (9.2%) and Marseille (0.3%) as well as Phoenix (5.8%) and Seattle (-1.3%). Local economic fortunes, opposing market cycles and in some cases, tighter property market regulations are behind this divergence.

A number of tier one cities find themselves in the bottom third of the index rankings this quarter, including London, New York, Auckland, Rome, Dubai and Sydney. In a number of these cities, the prime sector continues to outperform the mainstream market, whilst in others, analysis of price movements in the last quarter suggest their rate of decline is starting to slow.

A brief look at price movements over the last five years (Fig 2) presents a diverse mix of cities. However, aside from the Dutch cities which are recovering following a sharp downturn in 2012, the remaining markets are rising from a low base and in several cases, a dearth of supply in recent years has put pressure on prices as demand has strengthened.

Fig 1. Still moderating...

The index's average annual performance over the last five years



Source: Knight Frank Research

Fig 2. Top performing cities over the last five years

% change Q2 2014-Q2 2019



Source: Knight Frank Research
Note: Hong Kong = provisional data

Notes: *Asking prices **Provisional *** Metropolitan area
****Lake Geneva

All data corresponds to 12-month percentage change to Q2 2019 except: Bucharest, Budapest, Florence, Genova, Kuala Lumpur, Lille, Lyon, Marseille, Milan, Nagoya, Napoli, Osaka, Palermo, Rome, Sofia, Taipei, Tokyo, Trieste, Turin, Venice, Warsaw and Zagreb which is to Q1 2019. Data for Geneva, Lima, Limassol and Nicosia is to Q4 2018 and Cape Town, Johannesburg and Santiago which is Q2 2018. Spanish data relates to the city-region.

Sources: Knight Frank Research; Macrobond; Bank for International Settlements; Australian Bureau of Statistics; OeNB; Statbel; Bulgarian National Statistical Institute; FIPE; Teranet-National Bank House Price Index™. Reproduced and distributed on an "as is" basis with the permission of Teranet Inc. and National Bank of Canada; Central Bank of Chile; China National Bureau of Statistics (NBS); Colombian National Administrative Department of Statistics (DANE); Croatian Bureau of Statistics; Central Bank of Cyprus; Statistics Denmark; Statistics Estonia; Statistics Finland; INSEE; ImmobilienScout24; Bank of Greece; Hong Kong Ratings and Valuation Department; Hungarian Central Statistical Office; Statistics Indonesia; Indian National Housing Bank (NHB); Bank of Indonesia; Irish Central Statistics Office (CSO); Israel Central Bureau of Statistics; Immobiliare Italia; Japanese Ministry of Land, Infrastructure, Transport and Tourism; Arcore; Macedonian Statistical Office; Malaysian Valuation & Property Services Department; Mexican Federal Mortgage Company (SHF Sociedad Hipotecaria Federal); Statistics Netherlands (CBS); Quotable Value; Statistics Norway; Central Reserve Bank of Peru; National Bank of Poland; Portuguese National Statistics Institute (INE); Romanian National Institute of Statistics; Rosstat; Singapore Urban Redevelopment Authority; Central Bank of Slovakia; Slovenian Statistical Office; First National Bank; Kookmin Bank; Spain Ministry of Development; Statistics Sweden; Swiss National Bank/Wuest+Partner; Taiwan Department of Land Administration, Taipei City Government; Central Bank of the Republic of Turkey (TCMB); REIDIN; Blagovest; HM Land Registry; S&P Case Shiller.

THE KNIGHT FRANK GLOBAL RESIDENTIAL CITIES INDEX, Q2 2019

RANKED BY ANNUAL % CHANGE (Q2 2018-Q2 2019)

| CITY | 12-MONTH CHANGE (%) | CITY | 12-MONTH CHANGE (%) | CITY | 12-MONTH CHANGE (%) |
|------------------------|---------------------|---------------------|---------------------|------------------------|---------------------|
| 1 XI'AN, CN | 25.1% | 51 OSAKA, JP | 4.7% | 101 LOS ANGELES, US | 1.5% |
| 2 BUDAPEST, HU | 24.2% | 52 TAIPEI CITY, TW | 4.6% | 102 QUEBEC, CA | 1.5% |
| 3 HYDERABAD, IN | 18.3% | 53 BRATISLAVA, SK | 4.6% | 103 NEW YORK, US | 1.4% |
| 4 AHMEDABAD, IN | 15.3% | 54 VALENCIA, ES | 4.6% | 104 KIEV, UA | 1.3% |
| 5 WUHAN, CN | 14.6% | 55 ATLANTA, US | 4.5% | 105 SHENZHEN, CN | 1.3% |
| 6 ST. PETERSBURG, RU | 14.6% | 56 MALMO, SE | 4.5% | 106 JAKARTA, ID*** | 1.3% |
| 7 PORTO, PT | 13.6% | 57 FRANKFURT, DE | 4.5% | 107 SAN DIEGO, US | 1.3% |
| 8 CHONGQING, CN | 12.1% | 58 MANCHESTER, UK | 4.5% | 108 SINGAPORE, SG | 1.2% |
| 9 ZAGREB, HR | 11.4% | 59 NANJING, CN | 4.4% | 109 NICOSIA, CY | 1.0% |
| 10 ATHENS, GR | 11.2% | 60 DETROIT, US | 4.3% | 110 MUMBAI, IN | 1.0% |
| 11 QINGDAO, CN | 10.8% | 61 JOHANNESBURG, ZA | 4.2% | 111 PUNE, IN | 0.9% |
| 12 WUXI, CN | 10.5% | 62 PARIS, FR | 4.2% | 112 SAN FRANCISCO, US | 0.8% |
| 13 GUANGZHOU, CN | 10.4% | 63 TOKYO, JP | 4.2% | 113 TRIESTE, IT* | 0.7% |
| 14 BENGALURU, IN | 10.2% | 64 CHENNAI, IN | 4.0% | 114 BRISTOL, UK | 0.7% |
| 15 WARSAW, PL | 10.1% | 65 ZURICH, CH | 3.9% | 115 IZMIR, TR | 0.3% |
| 16 BOGOTA, CO | 9.8% | 66 BEIJING, CN | 3.9% | 116 MARSEILLE, FR | 0.3% |
| 17 VIENNA, AT | 9.8% | 67 BOSTON, US | 3.9% | 117 NAPOLI, IT* | 0.2% |
| 18 UTRECHT, NL | 9.7% | 68 MINNEAPOLIS, US | 3.8% | 118 TEL AVIV, IL | 0.2% |
| 19 SOFIA, BG | 9.6% | 69 BIRMINGHAM, UK | 3.8% | 119 DUBLIN, IE | 0.1% |
| 20 LYON, FR | 9.2% | 70 MUNICH, DE | 3.7% | 120 COPENHAGEN, DK | 0.1% |
| 21 WELLINGTON, NZ | 9.1% | 71 REYKJAVIK, IS | 3.6% | 121 ADELAIDE, AU | -0.1% |
| 22 CAPE TOWN, ZA | 9.1% | 72 EDINBURGH, UK | 3.4% | 122 CANBERRA, AU | -0.4% |
| 23 HANGZHOU, CN | 9.1% | 73 DENVER, US | 3.4% | 123 WINNIPEG, CA | -0.4% |
| 24 ROTTERDAM, NL | 9.0% | 74 LIMASSOL, CY | 3.4% | 124 TURIN, IT* | -0.5% |
| 25 CHANGSHA, CN | 8.8% | 75 GLASGOW, UK | 3.2% | 125 STOCKHOLM, SE | -0.7% |
| 26 NAGOYA, JP | 8.8% | 76 LISBON, PT | 3.2% | 126 ANKARA, TR | -0.7% |
| 27 NINGBO, CN | 8.4% | 77 MOSCOW, RU | 3.2% | 127 KUALA LUMPUR, MY | -1.2% |
| 28 KOLKATA, IN | 7.7% | 78 BRUSSELS, BE | 3.1% | 128 SEATTLE, US | -1.3% |
| 29 ZHENGZHOU, CN | 7.5% | 79 HAMBURG, DE | 3.0% | 129 LONDON, UK | -1.4% |
| 30 MEXICO CITY, MX | 7.3% | 80 WASHINGTON, US | 2.9% | 130 GENEVA**** | -1.4% |
| 31 SURAT, IN | 7.0% | 81 RIGA, LV | 2.9% | 131 ROME, IT* | -2.0% |
| 32 AMSTERDAM, NL | 6.9% | 82 HONG KONG, HK** | 2.9% | 132 RIO DE JANEIRO, BR | -2.2% |
| 33 THESSALONIKI, GR | 6.9% | 83 TORONTO, CA | 2.8% | 133 ISTANBUL, TR | -2.3% |
| 34 SANTIAGO, CL | 6.7% | 84 MIAMI, US | 2.8% | 134 EDMONTON, CA | -2.6% |
| 35 SEOUL, KR | 6.4% | 85 OSLO, NO | 2.7% | 135 BRISBANE, AU | -2.7% |
| 36 LIMA, PE | 6.4% | 86 DALLAS, US | 2.7% | 136 AUCKLAND, NZ | -2.9% |
| 37 OTTAWA GATINEAU, CA | 6.3% | 87 HALIFAX, CA | 2.7% | 137 CALGARY, CA | -3.8% |
| 38 NAGPUR, IN | 5.9% | 88 SEVILLA, ES | 2.6% | 138 GENOA, IT* | -3.8% |
| 39 MALAGA, ES | 5.8% | 89 VENICE, IT* | 2.6% | 139 PALERMO, IT* | -3.8% |
| 40 SKORJE, MK | 5.8% | 90 NOTTINGHAM, UK | 2.6% | 140 PERTH, AU | -3.9% |
| 41 PHOENIX, US | 5.8% | 91 HELSINKI, FI | 2.5% | 141 ABERDEEN, UK | -4.8% |
| 42 BERN, CH | 5.7% | 92 TIANJIN, CN | 2.2% | 142 VANCOUVER, CA | -4.9% |
| 43 TALLINN, EE | 5.6% | 93 GOTHENBURG, SE | 2.1% | 143 DARWIN, AU | -5.0% |
| 44 BERLIN, DE | 5.5% | 94 SAO PAULO, BR | 2.0% | 144 JERUSALEM, IL | -5.5% |
| 45 MONTREAL, CA | 5.4% | 95 HOBART, AU | 2.0% | 145 DELHI, IN | -7.1% |
| 46 MADRID, ES | 5.2% | 96 SHANGHAI, CN | 2.0% | 146 LJUBLJANA, SI | -7.5% |
| 47 BARCELONA, ES | 5.1% | 97 BUCHAREST, RO | 2.0% | 147 ABU DHABI, AE | -7.8% |
| 48 HAMILTON, CA | 4.8% | 98 HAIFA, IL | 1.9% | 148 MELBOURNE, AU | -9.3% |
| 49 FLORENCE, IT* | 4.8% | 99 MILAN, IT* | 1.8% | 149 DUBAI, AE | -9.4% |
| 50 LILLE, FR | 4.8% | 100 CHICAGO, US | 1.6% | 150 SYDNEY, AU | -9.6% |

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you.



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