

Global House Price Index

Research, Q3 2019

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HEADLINES

HUNGARY

LEADS THE ANNUAL RANKINGS FOR THE FIRST TIME SINCE 2010 WITH 15.4% GROWTH

3.7%

AVERAGE ANNUAL GROWTH RATE OF ALL 56 COUNTRIES AND TERRITORIES

91.0%

OF COUNTRIES AND TERRITORIES REGISTERED STATIC OR POSITIVE GROWTH IN THE YEAR TO SEPTEMBER 2019

7

OF THE TOP TEN RANKINGS ARE EUROPEAN COUNTRIES AND TERRITORIES

GREECE

IS RANKED 12TH OUT OF 56 COUNTRIES AND TERRITORIES

Prices across 56 countries and territories worldwide are rising at an annual rate of 3.7% on average, this marks the index's slowest rate of growth for over six years. This trend mirrors the pattern observed in Knight Frank's other global city indices – across both the mainstream and prime segments.

Analysis of the latest available data, shows Hungary leads the index this quarter with 15.4% annual price growth, boosted by a robust economy (4.9% GDP growth forecast in 2019*), low mortgage rates, high wage growth and a range of government subsidy measures.

However, other previous frontrunners from the last two years have cooled significantly – Slovenia (18th), Malta (22nd) and Iceland (26th) either due to weaker economic landscapes, affordability concerns or a decline in tourism.

In contrast, some countries and territories are rising up the rankings. A year ago, Greece sat in 24th place with price growth of 2.4%. Although prices still sit 37% below their 2008 peak, they are now rising at a rate of 7.7% per annum and Greece is ranked 12th out of 56 countries and territories.

Seven of the top ten rankings this quarter are European countries and most

are located within Central and Eastern Europe. Here, prices are rising from a low base, economies are strengthening and borrowing costs are close to record lows.

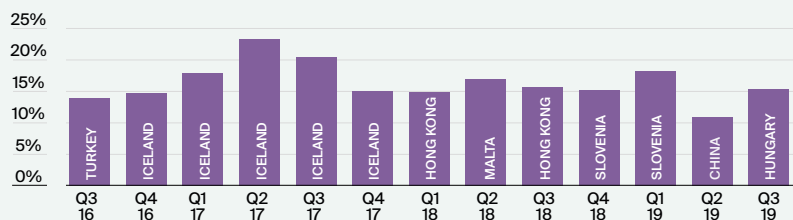
On a world region basis, Russia & the CIS lead the rankings, registering

average annual growth of 5.7% – prices in Russia are up 8.1% over the 12-month period and Ukraine has moved off the bottom rank in the last year and is now averaging 3.3% growth per annum.

Knight Frank publishes two indices tracking mainstream prices, our Global

Fig1. The top performing country each quarter

Annual % change

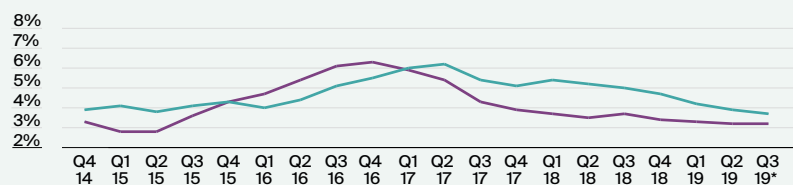


Sources: The Knight Frank Global House Price Index

Fig 2. City vs Country

Average annual price growth

Country-level (teal) City-level (purple)



Sources: The Knight Frank Global House Price Index & Global Residential Cities Index

Footnote: *Oxford Economics

Residential Cities Index (150 cities) and this our Global House Price Index (country level). A comparison of the two indices highlights two key trends. Firstly, the extent to which national house prices lag city markets by approximately six months and secondly, the degree to which the performance gap between the two has narrowed since 2018 (figure 2).

Sources: Knight Frank Research; Macrobond, Bank for International Settlements; Eurostat; Australian Bureau of Statistics; OeNB; Statbel; FIPE; Bulgarian National Statistical Institute; Teranet in alliance with National Bank of Canada; Chilean Chamber of Construction; China National Bureau of Statistics (NBS); DANE; Croatian Bureau of Statistics; Central Bank of Cyprus; Czech Statistics Office; Statistics Denmark; Statistics Estonia; Statistics Finland; INSEE; Federal Statistical Office of Germany; Bank of Greece; Hong Kong Rating & Valuation Department; Hungarian Central Statistical Office; Statistics Iceland; Bank of Indonesia; Irish Department of Environment, Heritage and Local Government; Israel Central Bureau of Statistics; Italian National Institute of Statistics; Japan's Ministry of Land, Infrastructure, Transport and Tourism; States of Jersey Statistics Unit; Central Statistics Latvia; Lithuania State Enterprise Centre of Registers; STATEC; Malaysian Valuation & Property Services Department; Central Bank of Malta; Mexican Federal Mortgage Company (SHF Sociedad Hipotecaria Federal); Central Bank of Morocco; Statistics Netherlands; Real Estate Institute of New Zealand (REINZ); Statistics Norway; Central Reserve Bank of Peru; Polish Central Statistical Office (GUS); Portuguese National Statistics Institute (INE); Romanian Statistics Office; Rosstat; Singapore Urban Redevelopment Authority (URA); National Bank of Slovakia; Slovenian Statistical Office; First National Bank; Government of South Korea; Spanish Ministry of Development; Statistics Sweden; Swiss National Bank/Wuest & Partner; Taiwan Ministry of the Interior; Central Bank of the Republic of Turkey (TCMB); Blagovest; HM Land Registry; S&P Case Shiller

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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THE KNIGHT FRANK PRIME GLOBAL HOUSE PRICE INDEX Q3 2019
Ranked by annual % change

	COUNTRY/ TERRITORY	12-MONTH % CHANGE (Q3 2018-Q3 2019)	6-MONTH % CHANGE (Q1 2019-Q3 2019)	3-MONTH % CHANGE (Q2 2019-Q3 2019)
1	Hungary	15.4%	7.7%	5.0%
2	Luxembourg	11.4%	6.0%	5.0%
3	Croatia	10.4%	6.2%	2.6%
4	Slovakia	9.7%	4.2%	3.0%
5	Latvia	9.0%	6.5%	5.6%
6	Czech Republic**	8.7%	4.1%	2.1%
7	China	8.5%	3.8%	1.7%
8	Jersey	8.5%	3.9%	1.7%
9	Mexico	8.4%	4.1%	1.6%
10	Russia	8.1%	2.3%	1.8%
11	Portugal	7.8%	4.2%	2.1%
12	Greece	7.7%	5.9%	3.5%
13	Chile	6.5%	3.0%	0.2%
14	New Zealand	6.4%	1.7%	1.7%
15	Turkey	6.3%	5.1%	3.2%
16	Netherlands	6.1%	3.3%	1.9%
17	Estonia	5.8%	2.7%	0.9%
18	Slovenia	5.8%	2.2%	1.3%
19	Colombia	5.7%	2.0%	0.8%
20	Germany	5.2%	1.8%	2.0%
21	Austria	5.2%	3.7%	0.8%
22	Malta**	5.1%	-0.8%	-0.6%
23	Bulgaria	5.0%	3.3%	0.6%
24	South Africa	3.8%	2.3%	0.9%
25	Sweden*	3.6%	3.5%	2.2%
26	Iceland	3.3%	1.3%	0.9%
27	Ukraine	3.3%	3.3%	2.6%
28	Japan	3.3%	2.1%	-1.1%
29	South Korea	3.2%	2.1%	0.9%
30	United States	3.2%	3.0%	0.6%
31	France	3.2%	1.4%	0.8%
32	Belgium	3.1%	1.6%	0.5%
33	Spain	3.1%	0.1%	0.1%
34	Peru	2.9%	3.1%	-1.2%
35	Singapore***	2.7%	3.3%	1.3%
36	Cyprus	2.7%	1.6%	0.7%
37	Denmark	2.5%	3.4%	2.1%
38	Norway	2.3%	2.1%	-0.8%
39	Indonesia	1.8%	0.9%	0.5%
40	Romania	1.8%	1.6%	1.6%
41	Taiwan	1.5%	0.8%	0.5%
42	United Kingdom	1.3%	3.1%	1.6%
43	Ireland	1.1%	2.2%	1.3%
44	Malaysia	0.9%	-0.2%	-0.6%
45	Israel	0.8%	2.2%	0.7%
46	Canada	0.7%	2.4%	1.2%
47	India	0.6%	1.6%	0.7%
48	Switzerland	0.5%	1.2%	1.1%
49	Brazil	0.3%	-0.1%	-0.1%
50	Finland	0.0%	3.2%	2.7%
51	Poland	0.0%	-0.1%	0.4%
52	Morocco	-0.2%	0.2%	-0.6%
53	Italy	-0.2%	0.7%	1.3%
54	Lithuania	-0.6%	-0.3%	-5.1%
55	Hong Kong*	-1.5%	4.9%	-1.8%
56	Australia	-7.4%	-3.7%	-0.7%

Source: Knight Frank Research
* Provisional **Asking prices *** Island-wide price index for non-landed properties
Data for Australia, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, India, Israel, Italy, Japan, Latvia, Lithuania, Luxembourg, Malaysia, Poland, Romania, Slovenia and Taiwan is to Q2 2019; data for Cyprus, Hungary and Morocco is to Q1 2019 and data for South Korea and Peru is to Q4 2018.

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