

Global House Price Index

Q1 2021

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HEADLINES

TURKEY

THE COUNTRY WITH THE HIGHEST RATE OF ANNUAL PRICE GROWTH IN THE YEAR TO Q1 2021

7.3%

AVERAGE CHANGE IN PRICES ACROSS 56 COUNTRIES AND TERRITORIES

13

THE NUMBER OF COUNTRIES/TERRITORIES REGISTERING DOUBLE-DIGIT ANNUAL PRICE GROWTH IN THE YEAR TO Q1 2021

UNITED STATES

AT 13.2%, THE COUNTRY'S HIGHEST RATE OF ANNUAL PRICE GROWTH SINCE DEC 2005

22%

NEW ZEALAND'S ANNUAL RATE OF PRICE GROWTH IN Q1 2021

Globally, house prices are rising at their fastest rate since Q4 2006. Knight Frank's Global House Price Index, a means of benchmarking average prices across 56 countries and territories, increased 7.3% in the year to March 2021.

Turkey leads the rankings for annual price growth for the fifth consecutive quarter, but strip out inflation and real prices are rising at around 16% per annum.

Aside from Turkey the top ten is largely comprised of developed nations, including New Zealand (22%), the US (13%), Sweden (13%), Austria (12%) and Canada (11%).

With thirteen countries recording double-digit price growth in the year to Q1 2021 it is no surprise that talk of post-pandemic housing bubbles is increasing but authorities are already starting to take action.

Cooling measures return

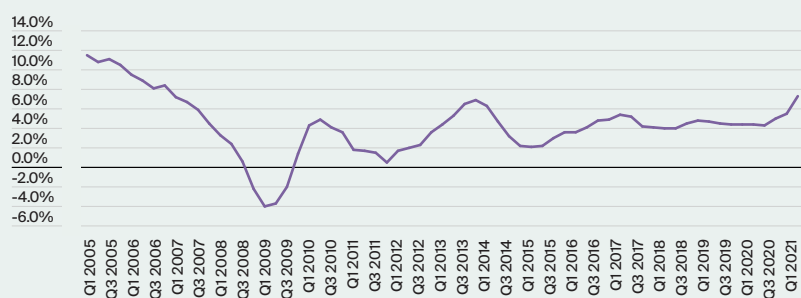
Since January 2021, authorities in China, New Zealand, and Ireland have intervened with a range of measures from tighter lending rules to higher stamp duties for multiple purchases. Canada is also looking closely at a national vacancy tax and China is mulling over a national property tax.

With governments taking action and fiscal stimulus measures set to end later this year in a number of markets, buyer sentiment is likely to be less exuberant,

plus, the threat of new variants and stop/start vaccine roll-outs have the potential to exert further downward pressure on price growth.

Fig 1. House prices rise at their fastest since Q4 2006

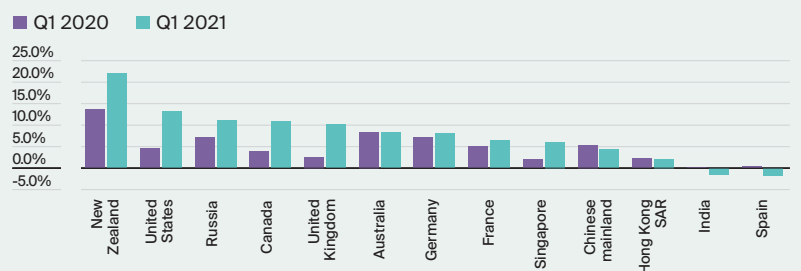
Global average, annual % change



Source: Knight Frank Research

Fig 2. A year on....

Annual % change



Source: Knight Frank Research

It's not a global boom

Behind the headlines, however, there are several large economies where strong price growth remains elusive and where sales have yet to gain traction – Italy (1.6%), India (-1.6%) and Spain (-1.8%) all recorded lower price growth in Q1 2021 than a year earlier either due to stringent lockdowns, economic concerns or excess supply.

Sources: Knight Frank Research, Macrobond, Bank for International Settlements, Australia Property Monitor, National Bank of Austria (Oesterreichische Nationalbank), Statistics Belgium, Brazilian Foundation Institute of Economic Research (FIPE), Bulgarian National Statistical Institute, Teranet, National Bureau Statistics, Chilean Chamber of Construction, Colombian National Administrative Department of Statistics (DANE), National Bank of Croatia, Central Bank of Cyprus (CBC), Eurostat, Statistics Denmark, Statistics Estonia, Statistics Finland, French National Institute of Statistics & Economic Studies (INSEE), German Federal Statistical Office (Statistisches Bundesamt), Bank of Greece, Hong Kong Rating & Valuation Department, Statistics Iceland, Bank Indonesia, Irish Central Statistics Office (CSO), Israel Central Bureau of Statistics (CBS), Italian National Institute of Statistics (Istat), Japanese Ministry of Land, Infrastructure, Transport & Tourism, States of Jersey Statistics Unit, Lithuania State Enterprise Centre of Registers, Malaysian Valuation & Property Services Department, Central Bank of Malta, Mexican Federal Mortgage Company (SHF Sociedad Hipotecaria Federal), Statistics Netherlands (CBS), Real Estate Institute of New Zealand (REINZ), Statistics Norway, Central Reserve Bank of Peru (BCRP), Polish Central Statistical Office (GUS), Portuguese National Statistics Institute (INE), Russian Federal State Statistics Service (Rosstat), Singapore Urban Redevelopment Authority (URA), Central Bank of Slovakia, Slovenian Statistical Office, First National Bank, Statistics Korea (KoSIS), Spanish Ministry of Development, Statistics Sweden (SCB), Wuest & Partner, Taiwan Ministry of the Interior, Central Bank of the Republic of Turkey (TCMB), Blagovist Real Estate Agency of Ukraine, 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 GLOBAL HOUSE PRICE INDEX Q1 2021

Ranked by annual % change

COUNTRY/ TERRITORY	12-MONTH % CHANGE (Q1 2020-Q1 2021)	6-MONTH % CHANGE (Q3 2020-Q1 2021)	3-MONTH % CHANGE (Q4 2020-Q1 2021)
1 Turkey	32.0%	12.8%	6.8%
2 New Zealand	22.1%	15.3%	5.3%
3 Luxembourg	16.6%	7.6%	4.6%
4 Slovakia	15.5%	7.7%	4.2%
5 United States	13.2%	7.4%	4.0%
6 Sweden*	13.0%	7.8%	3.6%
7 Austria	12.3%	5.2%	3.9%
8 Netherlands	11.3%	6.3%	5.3%
9 Russia	11.1%	6.1%	1.7%
10 Norway	10.9%	5.9%	5.6%
11 Canada	10.8%	5.2%	2.3%
12 United Kingdom	10.2%	6.0%	2.6%
13 Peru	10.0%	3.5%	1.1%
14 Lithuania	9.1%	23.4%	9.1%
15 Czech Republic**	8.9%	5.3%	2.6%
16 Poland	8.9%	3.1%	0.9%
17 Iceland	8.5%	4.9%	2.6%
18 Australia	8.3%	8.7%	4.9%
19 Denmark	8.3%	6.5%	2.7%
20 Germany	8.1%	5.7%	2.6%
21 Finland	7.7%	3.2%	2.6%
22 Portugal	6.8%	5.1%	2.5%
23 Mexico	6.6%	4.4%	2.8%
24 Switzerland	6.5%	4.0%	1.6%
25 Croatia	6.4%	1.8%	2.5%
26 France	6.4%	3.0%	2.4%
27 Singapore***	6.1%	5.6%	2.5%
28 Jersey	6.0%	6.4%	5.7%
29 South Korea	5.8%	4.0%	1.8%
30 Japan	5.7%	3.1%	1.1%
31 Belgium	5.7%	4.4%	2.2%
32 Bulgaria	5.4%	5.3%	1.7%
33 Slovenia	5.2%	2.1%	2.0%
34 Estonia	4.8%	6.2%	3.8%
35 South Africa	4.5%	0.8%	0.2%
36 Chinese mainland	4.3%	1.4%	1.0%
37 Ukraine	4.1%	2.3%	0.0%
38 Israel	4.1%	2.9%	2.5%
39 Taiwan	4.0%	2.8%	1.3%
40 Brazil	4.0%	2.1%	0.8%
41 Ireland	3.7%	3.3%	1.5%
42 Greece	3.1%	1.9%	2.5%
43 Latvia	3.1%	4.8%	1.4%
44 Colombia	3.0%	0.3%	0.2%
45 Romania	2.4%	-1.5%	1.6%
46 Malta	2.3%	0.8%	0.5%
47 Hong Kong SAR*	2.1%	0.4%	1.2%
48 Hungary	1.8%	-1.1%	2.1%
49 Chile	1.7%	4.8%	4.0%
50 Italy	1.6%	-2.2%	0.3%
51 Indonesia	1.2%	0.4%	0.2%
52 Cyprus	0.8%	-0.5%	-0.2%
53 Malaysia	-0.9%	-1.7%	-1.4%
54 Morocco	-1.2%	0.1%	3.6%
55 India	-1.6%	0.6%	1.4%
56 Spain	-1.8%	0.8%	0.2%

Sources: See box in margin

* Provisional ** Asking prices *** Island-wide price index for non-landed properties Data for Chinese Mainland refers to primary market Data for Belgium, Bulgaria, Chile, Croatia, Cyprus, Czech Republic, Denmark, Estonia, France, Germany, Israel, Italy, Japan, Jersey, Latvia, Luxembourg, Malaysia, Poland, Romania, Slovenia, Spain, and Taiwan is to Q4 2020; Data for Hungary and Morocco is to Q3 2020.

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