

## Results for Q3 2017

The index increased by 4.7% in the year to September 2017, down from 5.8% last quarter

**Reykjavik tops the rankings**, the only city to record annual price growth above 20%

**Toronto has slipped from the top spot to fourth place** as the new foreign buyer tax influences market sentiment

**All 30 US and Canadian cities tracked by our index registered positive price growth** over the 12-month period

**Unlike the luxury end of the market, mainstream prices in Europe remain weak** accounting for almost half of the cities registering an annual decline



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## CITIES IN NORTH AMERICA BUCK GLOBAL HOUSE PRICE SLOWDOWN

The Global Residential Cities Index, which tracks the movement in mainstream house prices across 150 cities worldwide, has registered a decline in its annual rate of growth for three consecutive quarters. However, cities across the US and Canada bucked this slowdown trend.

Reykjavik tops the rankings this quarter and is the only city of the 150 tracked where annual house price growth exceeded 20% in the year to September 2017.

Toronto has dropped from the top spot to fourth place having seen a decline of over 10% in its year-on-year growth rate, from 29% to 18%.

Some of the largest risers through the rankings include Amsterdam and Utrecht, however, this is largely due to declining growth rates of others, notably Indian and Chinese cities.

The overall index increased by 4.7% in the year to September 2017, down from 5.8% last quarter, which continues the trend of declining house price growth globally seen last quarter.

Only one city, compared to last quarter's nine, recorded house price growth above 20% and the number seeing growth above 10% has almost halved from 41 to 22.

North America has bucked the index's overall trend with all of the 30 cities

tracked in our index registering positive annual price growth in the year to September 2017. Nineteen of the 30 cities registered an increase in their rate of house price growth and only 11 saw their rate of growth decline.

The number of cities registering declining growth rates has fallen from 27 to 26 with Darwin, Valencia and Abu Dhabi taking the bottom spots. This quarter, 46% of all cities registering a fall in prices year-on-year are located within Europe, with seven located in Italy.

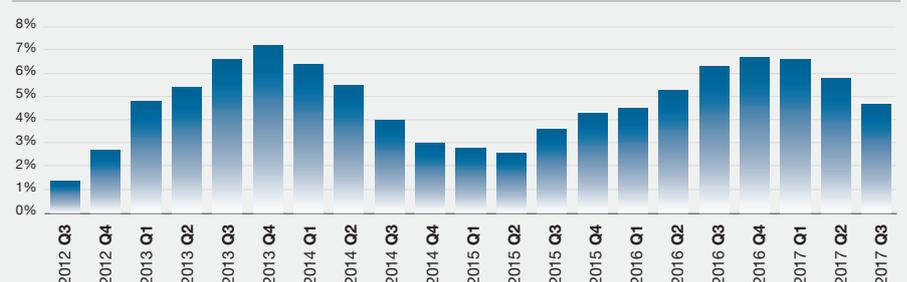
Analysis over a five-year period shows cities in the Middle East have seen the highest rise in nominal house price growth, averaging 58% (figure 4). Istanbul recorded the highest increase of 129% over the five-year period.

Analysis of real house price growth – when inflation is stripped out – shows Asian cities were the strongest performers over the five-year period. The Chinese city of Shenzhen recording the highest increase of 116% over this period in real terms.

FIGURE 1

### Global Residential Cities Index Q3 2017

Annual performance over the last five years 12-month % change



Source: See full source list on page 3



FIGURE 2

**Global Residential Cities Index**

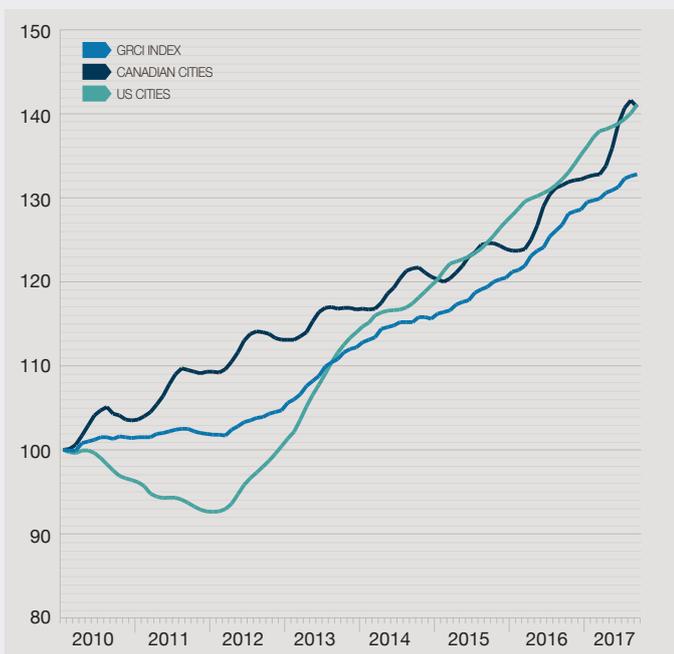
Tracking mainstream residential prices across 150 cities worldwide



FIGURE 3

**Cities in US and Canada outperform the index**

Indexed, 100 = Q1 2010

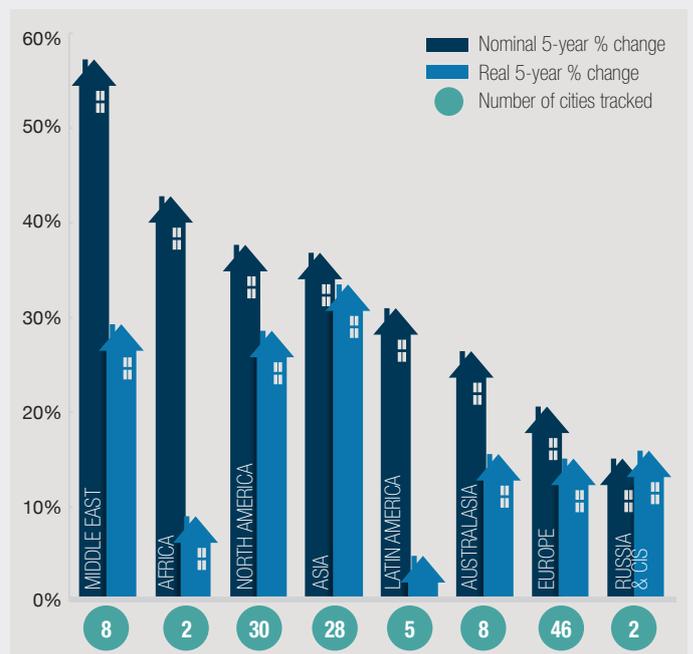


**Source:** See full source list on page 3

FIGURE 4

**Asia on top in real terms, Middle East in nominal terms**

Five-year % change to Q3 2017



**Source:** See full source list on page 3

# Knight Frank Global Residential Cities Index, Q3 2017 Ranked by annual % change

Rank	City	12-month % change (Q3 2016-Q3 2017)	Rank	City	12-month % change (Q3 2016-Q3 2017)	Rank	City	12-month % change (Q3 2016-Q3 2017)
1	Reykjavik, IS	21.3%	51	Canberra, AU	6.9%	101	Bern, CH	2.2%
2	Izmir, TR	19.8%	52	Lyon, FR	6.6%	102	Hangzhou, CN	2.2%
3	Hamilton, CA	19.5%	53	Istanbul, TR	6.5%	103	Bologna, IT*	2.1%
4	Toronto, CA	18.0%	54	Manchester, UK	6.4%	104	Helsinki, FI	2.1%
5	Budapest, HU	15.3%	55	Ningbo, CN	6.3%	105	Ahmedabad, IN	2.1%
6	Hong Kong, HK**	15.1%	56	Tel Aviv, IL	6.2%	106	Marseille, FR	2.0%
7	Amsterdam, NL	13.8%	57	Charlotte, US	6.2%	107	Oslo, NO	1.9%
8	Hobart, AU	13.8%	58	Los Angeles, US	6.1%	108	Brussels, BE	1.9%
9	Rotterdam, NL	13.5%	59	Bristol, UK	6.1%	109	Tianjin, CN	1.8%
10	Melbourne, AU	13.2%	60	Phoenix, US	6.1%	110	Venice, IT*	1.7%
11	Seattle, US	13.0%	61	Minneapolis, US	5.6%	111	Lille, FR	1.6%
12	Kochi, IN	12.8%	62	Atlanta, US	5.6%	112	Edmonton, CA	1.4%
13	Changsha, CN	12.0%	63	Stockholm, SE	5.6%	113	Sao Paulo, BR	1.4%
14	Chongqing, CN	12.0%	64	Cleveland, US	5.5%	114	Nanjing, CN	1.3%
15	Malmö, SE	11.9%	65	Bengaluru, IN	5.4%	115	Santiago, CL	1.2%
16	Dublin, IE	11.6%	66	New York, US	5.2%	116	Winnipeg, CA	1.2%
17	Utrecht, NL	11.5%	67	Ottawa Gatineau, CA	5.2%	117	Quebec, CA	1.1%
18	Gothenburg, SE	10.9%	68	Kuala Lumpur, MY	5.1%	118	Haifa, IL	0.9%
19	Wellington, NZ	10.7%	69	Jinan, CN	5.1%	119	Nicosia, CY	0.8%
20	Shenyang, CN	10.7%	70	Glasgow, UK	5.1%	120	Ljubljana, SI	0.7%
21	Vancouver, CA	10.5%	71	Montreal, CA	5.0%	121	Florence, IT*	0.6%
22	Barcelona, ES	10.2%	72	Miami, US	4.9%	122	Beijing, CN	0.5%
23	Nottingham, UK	9.5%	73	Wuxi, CN	4.8%	123	Halifax, CA	0.4%
24	Copenhagen, DK	9.4%	74	Adelaide, AU	4.8%	124	Tokyo, JP	0.4%
25	Guangzhou, CN	9.4%	75	Wuhan, CN	4.8%	125	Shanghai, CN	-0.1%
26	Sydney, AU	9.4%	76	Paris, FR	4.7%	126	Singapore, SG	-0.3%
27	Las Vegas, US	9.0%	77	Jerusalem, IL	4.6%	127	Athens, GR	-0.4%
28	Edinburgh, UK	8.9%	78	Bratislava, SK	4.6%	128	Thessaloniki, GR	-0.7%
29	Porto, PT	8.9%	79	Qingdao, CN	4.4%	129	Milan, IT*	-1.3%
30	Riga, LV	8.8%	80	Tallinn, EE	4.3%	130	Trieste, IT*	-1.3%
31	Cape Town, ZA	8.4%	81	Mexico City, MX	4.0%	131	Skopje, MK	-1.3%
32	Kanpur, IN	8.4%	82	St. Petersburg, RU	3.9%	132	Turin, IT*	-1.8%
33	San Diego, US	8.2%	83	Chicago, US	3.9%	133	Taipei City, TW	-2.0%
34	Delhi, IN	8.1%	84	Bogota, CO	3.8%	134	Dubai, AE	-2.0%
35	Yantai, CN	8.0%	85	Zurich, CH	3.8%	135	Moscow, RU	-2.2%
36	Ankara, TR	7.6%	86	Jakarta, ID***	3.7%	136	Sevilla, ES	-2.3%
37	Chennai, IN	7.4%	87	Brisbane, AU	3.5%	137	Lima, PE	-2.4%
38	Lisbon, PT	7.4%	88	Vienna, AT	3.4%	138	Aberdeen, UK	-2.4%
39	Portland, US	7.4%	89	Seoul, KR	3.4%	139	Perth, AU	-2.4%
40	Boston, US	7.3%	90	Johannesburg, ZA	3.2%	140	Chengdu, CN	-2.8%
41	Tampa, US	7.3%	91	Kolkata, IN	3.2%	141	Rio de Janeiro, BR	-3.6%
42	San Francisco, US	7.2%	92	Zhengzhou, CN	3.2%	142	Rome, IT*	-3.6%
43	Madrid, ES	7.2%	93	Mumbai, IN	3.0%	143	Palermo, IT*	-3.7%
44	Dallas, US	7.2%	94	Malaga, ES	3.0%	144	Shenzhen, CN	-3.8%
45	Denver, US	7.1%	95	Washington, US	2.9%	145	Napoli, IT*	-4.2%
46	Birmingham, UK	7.1%	96	London, UK	2.9%	146	Jaipur, IN	-4.5%
47	Tangshan, CN	7.1%	97	Zagreb, HR	2.8%	147	Genoa, IT*	-6.1%
48	Dalian, CN	7.1%	98	Auckland, NZ	2.7%	148	Darwin, AU	-6.3%
49	Lucknow, IN	7.0%	99	Calgary, CA	2.6%	149	Valencia, ES	-7.7%
50	Detroit, US	7.0%	100	Limassol, CY	2.4%	150	Abu Dhabi, AE	-9.3%

**Notes:** \*Asking prices \*\*Provisional \*\*\*Metropolitan area. All data corresponds to 12-month percentage change to Q3 2017 except: Ahmedabad, Bengaluru, Bologna, Brussels, Budapest, Chennai, Delhi, Florence, Genoa, Jaipur, Kanpur, Kochi, Kolkata, Lille, Limassol, Lucknow, Lyon, Marseille, Milan, Mumbai, Napoli, Nicosia, Palermo, Rome, Santiago, Trieste, Turin, Venice and Zagreb which is to Q2 2017. UK price data from HM Land Registry is as at 2 Jan 2018.

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