

News Release

Thriller in Manila, as city’s 11% price growth leads Knight Frank’s Prime International Residential Index

Luxury home prices in the Asia Pacific gained 2.7%, higher than the global average

PIRI 100 records lowest rate of annual growth since 2012

Malaysia, 24th April 2019 – The Philippines’ capital city of **Manila** led the Knight Frank Prime International Residential Index (PIRI 100) after luxury home prices jumped 11% last year, bolstered by a lack of supply and a thriving domestic economy.

However, Manila’s performance pales in comparison with the top growing residential markets of the past tracked by the index. In the 12 years that Knight Frank has monitored the value of 100 luxury residential markets, the best-performing city has yet to record annual growth below 21%.

Nicholas Holt, Head of Research, Knight Frank Asia Pacific says, “While Manila’s 11% growth is far from the norm for the city, it confirms the theory that outliers are disappearing, and we are moving to a period of slower price growth. Within Asia-Pacific, a slowdown from a 4.9% average growth rate in 2017 to 2.7% in 2018 illustrates this trend.”

Singapore was the only other city in Asia-Pacific that emerged in the top ten of the PIRI 100. The city-state witnessed more demand for luxury homes following changes to the Seller Stamp Duty regulations. Last year saw prices climbing 9.1%; however, cooling measures introduced in mid-2018, including stamp duties for developers and non-residents, slowed the market considerably, and prices are expected to remain static this year. The third-best performing Asian city is **Tokyo**, where prices climbed 6.8%.

Dominic Heaton-Watson, Associate Director, International Residential Project Marketing, Knight Frank Malaysia comments, “Of note, Berlin was one of the top performing European residential markets in the past 12 months, and witnessed increasing levels of interest from Malaysia-based investors seeking both capital growth and strong rental returns.”

Knight Frank’s PIRI 100 top 10 performing markets

City	% Change (Dec 2017 to Dec 2018)
Manila	11.1%
Edinburgh	10.6%
Berlin	10.5%
Munich	10.0%
Buenos Aires	10.0%
Mexico City	9.5%

News Release

Singapore	9.1%
Boston	8.6%
Madrid	8.1%
San Francisco	7.8%

Sources: All data comes from Knight Frank's global network with the exception of: Tokyo

(Ken Corporation); São Paulo and Rio de Janeiro (Fundação Instituto de Pesquisas Econômicas); Oslo (Torbjørn Ek); Chicago, Los Angeles, Miami, New York, San Francisco, Seattle and Washington DC (S&P CoreLogic Case-Shiller); Barcelona (Ministerio de Fomento); Jersey (States of Jersey); Berlin and Frankfurt (ImmobilienScout 24); Toronto (Toronto Real Estate Board); Mexico (Sociedad Hipotecaria Federal); Stockholm (Svensk Mäklarstatistik AB).

Asia-Pacific Prime Residential Market

Overall, luxury home prices in Asia-Pacific gained 2.7% with most markets experiencing low, yet steady growth. However, growth in the region was still higher than the global average. In 2018, the PIRI 100 recorded its lowest rate of annual increase since 2012 as the value of prime residential markets around the world rose by only an average of 1.3%, down from 2.1% in 2017. The index sees an annual price change of 1% in **Malaysia's** luxury residential market from December 2017 to December 2018

“The slowdown in the PIRI 100 last year is a consequence of increasing global interest rates. “As ultra-low interest rates have driven the global real estate markets since 2008, it is inevitable for the markets to experience lower price growth amid the shift in monetary policy,” adds **Holt**.

In terms of the cost of prime residential real estate, **Hong Kong** is the second-most expensive market in the world. Every US\$1 million spent buys only 22 square metres (sq m) of luxury property in the territory. **Singapore** with 36 sq m is the fifth most costly place to buy prime residential property while **Sydney** is at eighth place (52 sq m) and **Shanghai** at tenth (57 sq m).

Square metres of luxury property US\$1m will buy around the world

City	Sq m per US\$1m
Monaco	16
Hong Kong	22
New York	31
London	31
Singapore	36
Los Angeles	39
Geneva	41
Paris	46
Sydney	52
Shanghai	57

Data as at December 2018

Sources: Knight Frank Research, Douglas Elliman, Ken Corporation

News Release

For more information, please visit: <http://www.knightfrank.com/wealthreport>

END

For further information, please contact:

Ms Seline Soo, Marketing & Communications Manager, Knight Frank Malaysia
seline.soo@my.knightfrank.com +603 2289 9669 @KnightFrank_my

Ms Penny Hoo, Marketing Executive, Knight Frank Malaysia
penny.hoo@my.knightfrank.com +603 2289 9667 @KnightFrank_my

Notes to Editors

The PIRI 100 monitors the movement in luxury prices across the top residential markets all over the world. It includes gateway cities, major financial centres, second home hotspots, and luxury ski resorts.

No.	Location	Country	Annual % change
1	Manila	Phillippines	11.1%
2	Edinburgh	UK	10.6%
3	Berlin	Germany	10.5%
4=	Munich	Germany	10.0%
4=	Buenos Aires	Argentina	10.0%
6	Mexico City	Mexico	9.5%
7	Singapore	Singapore	9.1%
8	Boston	US	8.6%
9	Madrid	Spain	8.1%
10	San Francisco	US	7.8%
11	Tokyo	Japan	6.8%
12=	Jersey	UK	6.5%
12=	Barcelona	Spain	6.5%
14	Toronto	Canada	6.3%
15	Seattle	US	6.1%
16=	Lisbon	Portugal	6.0%
16=	Algarve	Portugal	6.0%
16=	Chamonix	France	6.0%
19	Paris	France	5.3%
20	Frankfurt	Germany	5.1%
21=	Aspen	US	5.0%
21=	Los Angeles	US	5.0%

News Release

23	Moscow	Russia	4.3%
24	Auckland	New Zealand	4.1%
25=	Amsterdam	Netherlands	4.0%
25=	Cap Ferrat	France	4.0%
25=	Beijing	China	4.0%
28	Cape Town	South Africa	3.8%
29	Miami	US	3.3%
30	Sydney	Australia	3.1%
31=	Val d'Isere	France	3.0%
31=	Marbella	Spain	3.0%
31=	Brisbane	Australia	3.0%
31=	Washington DC	US	3.0%
35=	Cyprus	Cyprus	2.8%
35=	Verbier	Switzerland	2.8%
37	Jakarta	Indonesia	2.6%
38	St Rémy de Provence	France	2.5%
39=	Chicago	US	2.3%
39=	Guangzhou	China	2.3%
41	Melbourne	Australia	2.2%
42=	Perth	Australia	2.1%
42=	Gold Coast	Australia	2.1%
44=	Mustique	Mustique	2.0%
44=	Gstaad	Switzerland	2.0%
44=	Monaco	Monaco	2.0%
47=	Cannes	France	1.8%
47=	Hong Kong	China	1.8%
49	São Paulo	Brazil	1.7%
50=	Oslo	Norway	1.5%
50=	Courchevel 1850	France	1.5%
50=	Ibiza	Spain	1.5%
50=	Venice	Italy	1.5%
50=	Evian	France	1.5%
55	Delhi	India	1.4%
56=	Megève	France	1.1%
56=	Bengaluru	India	1.1%
57=	Florence	Italy	1.0%
57=	Kuala Lumpur	Malaysia	1.0%

News Release

60	Méribel	France	0.9%
61=	Vienna	Austria	0.7%
61=	St Petersburg	Russia	0.7%
63	Phuket	Thailand	0.6%
64=	Lucca	Italy	0.5%
64=	Lake Como	Italy	0.5%
64=	Rome	Italy	0.5%
67	Mumbai	India	0.3%
68=	Bahamas	Bahamas	0.3%
68=	St Barts	St Barts	0.3%
70	Milan	Italy	0.2%
71	Shanghai	China	0.1%
72=	Sardinia	Italy	0.0%
72=	Lausanne	Switzerland	0.0%
72=	Barbados	Barbados	0.0%
75	Bangkok	Thailand	-0.7%
76	Zurich	Switzerland	-1.0%
77=	Brussels	Belgium	-1.5%
77=	St Tropez	France	-1.5%
77=	Taipei	Taiwan	-1.5%
80	Geneva	Switzerland	-2.0%
81	Stockholm	Sweden	-2.3%
82=	Riyadh	Saudi Arabia	-2.5%
82=	Umbria	Italy	-2.5%
82=	New York	US	-2.5%
85	Dublin	Ireland	-2.8%
86	Mallorca	Spain	-3.0%
87	Dubai	UAE	-3.4%
88	Rio de Janeiro	Brazil	-3.8%
89	Oxford	UK	-3.9%
90	Abu Dhabi	UAE	-4.3%
91	London	UK	-4.4%
92	Nairobi	Kenya	-4.5%
93	British Islands Virgin	British Virgin Islands	-5.0%
94	Doha	Qatar	-5.7%
95	Bodrum	Turkey	-7.2%
96	St Moritz	Switzerland	-7.5%

News Release

97	The Hamptons	US	-10.0%
98	Istanbul	Turkey	-10.4%
99	Vancouver	Canada	-11.5%
100	Lagos	Nigeria	-25.0%

About Knight Frank

Knight Frank LLP is the leading independent global property consultancy. Headquartered in London, Knight Frank has more than 15,000 people operating from 418 offices across 60 countries. The Group advises clients ranging from individual owners and buyers to major developers, investors and corporate tenants. For further information about the Company, please visit knightfrank.com.

Knight Frank has a strong presence in **Malaysia** with its headquarters in Kuala Lumpur as well as branches in Penang, Johor and Kota Kinabalu. The company offers high-quality professional advice and solutions across a comprehensive portfolio of property services and is registered with the Board of Valuers, Appraisers and Estate Agents. The Company is licensed to undertake property, valuations / consultancy, estate agency and property management and is also on the panel of all leading banks and financial institutions. For further information about the Company, please visit www.knightfrank.com.my.