

GLOBAL RESIDENTIAL CITIES INDEX

Q1 2019

GLOBAL CITIES UPDATE

Budapest leads the index this quarter, Chinese cities occupy five of the top ten rankings and the impact of government intervention is apparent.

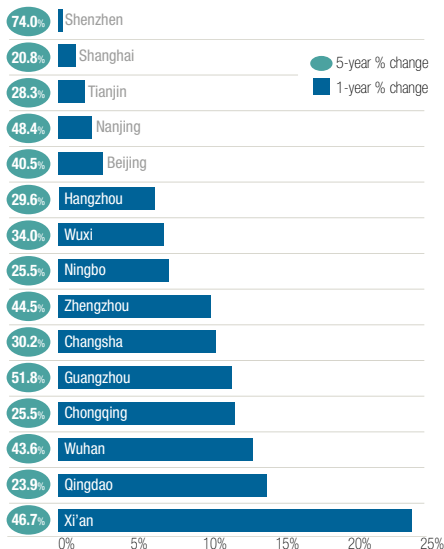
The Hungarian capital of Budapest leads the index for the second consecutive quarter with average prices rising 25% over the 12-month period.

A robust economy, higher wages and historically low mortgage rates are fuelling demand. The IMF forecast GDP growth of 3.2% in 2019 for Hungary, compared to 1.6% for the wider European Union and interest rates on new residential loans have fallen from 10.5% to around 4.7% over the last six years.

Chinese cities occupy five of the other top ten rankings with the city of Xi'an (24%) leading the way. A comparison of one-year and five-year price growth confirms that it is second and third tier cities that are now performing strongest, with tier one cities such as Beijing and Shanghai experiencing slower growth.

CHINA: LOWER TIER CITIES OUTPERFORM

1-YR % CHANGE VS. 5-YR % CHANGE



Source: See page 2

The Chinese government warned ten city authorities earlier this year to take steps to curb prices. Such actions, along with global trade tensions and a slowdown in economic growth, will likely mean our top ten rankings will look very different at the end of 2019.

In Europe, the Dutch cities of Rotterdam (12%), Utrecht (11%) and Amsterdam (9%) remain stalwarts in the top 20 with Warsaw (12%) and Porto (11%) also making an appearance.

For the first time all five of the Spanish cities tracked by the index make it into the top 50 rankings with average prices in Madrid rising at an annual rate of 8.3%.

In the US, apart from Washington DC (3%) all of the 15 cities we track saw their rate of annual growth decline compared to last quarter.

Phoenix (6%), Atlanta (5%) and Miami (4%) lead the US cities with previous frontrunners Seattle (2%) and San Francisco (1%) moving down the rankings.

In 2018 a number of governments took action to curb prices through new taxes or buyer restrictions. This quarter's rankings underline the impact of these measures across a number of global cities – Toronto (3%), Vancouver (-2%), Auckland (-1%) and Stockholm (-3%) amongst them.

At 3.4%, the index registered its lowest rate of annual growth since Q2 2015 yet 82% of the cities tracked still saw prices increase over the 12-month period.

The global economic landscape looks more uncertain than six months ago with the Eurozone and Chinese economies registering slower growth, wages struggling to keep pace with prices adding to affordability concerns and political uncertainty influencing buyer sentiment. We expect the index's performance to moderate further in the second half of 2019.

Q1 2019 RESULTS



BUDAPEST

CITY WITH THE HIGHEST RATE OF ANNUAL GROWTH (25%)

3.4%

AVERAGE ANNUAL GROWTH ACROSS 150 CITIES

82%

PERCENTAGE OF CITIES THAT SAW PRICES INCREASE IN THE YEAR TO Q1 2019

25%

DIFFERENCE BETWEEN INDIA'S BEST PERFORMER (HYDERABAD, 22%) AND WORST PERFORMER (DELHI, -3%)

10

NUMBER OF CHINESE CITIES WARNED TO ADDRESS HOUSE PRICE INFLATION SO FAR IN 2019

KNIGHT FRANK'S GLOBAL RESIDENTIAL CITIES INDEX TRACKS THE MOVEMENT IN MAINSTREAM RESIDENTIAL PRICES ACROSS 150 CITIES WORLDWIDE USING OFFICIAL GOVERNMENT STATISTICS OR CENTRAL BANK DATA.

KNIGHT FRANK GLOBAL RESIDENTIAL CITIES INDEX, Q1 2019

Ranked by annual % change (Q1 2018-Q1 2019)

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

AE United Arab Emirates, AT Austria, AU Australia, BE Belgium, BG Bulgaria, CA Canada, CH Switzerland, CL Chile, CN China, CO Colombia, CY Cyprus, CZ Czech Republic, DK Denmark, EE Estonia, ES Spain, FI Finland, FR France, GR Greece, HK Hong Kong, HR Croatia, HU Hungary, IE Ireland, IL Israel, IN India, IS Iceland, IT Italy, JP Japan, KR South Korea, LV Latvia, MK Macedonia, MX Mexico, MY Malaysia, PE Peru, NL Netherlands, NO Norway, NZ New Zealand, PT Portugal, RU Russia, SE Sweden, SG Singapore, SI Slovenia, SK Slovakia, TR Turkey, TW Taiwan, UK United Kingdom, US United States, ZA South Africa.

All data corresponds to 12-month percentage change to Q1 2019 except: Brussels, Bucharest, Budapest, Geneva, Lille, Lima, Lyon, Marseille, Nagoya, Osaka, Sofia, Taipei, Tokyo, Warsaw and Zagreb which is to Q4 2018. Data for Limassol and Nicosia is to Q3 2018 and Cape Town, Johannesburg and Santiago which is Q2 2018.

Spanish data relates to the city-region

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Please contact us for further information

If you're thinking of buying or selling, or would just like some property advice, please do get in touch.

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City	12-month % change	City	12-month % change	City	12-month % change
1 Budapest, HU	25.0%	51 Frankfurt, DE	4.7%	101 Seattle, US	1.6%
2 Xi'an, CN	24.4%	52 Glasgow, UK	4.7%	102 Kiev, UA	1.3%
3 Hyderabad, IN	22.1%	53 Oslo, NO	4.6%	103 Copenhagen, DK	1.3%
4 St. Petersburg, RU	16.2%	54 Atlanta, US	4.6%	104 San Francisco, US	1.3%
5 Ahmedabad, IN	15.1%	55 Hobart, AU	4.6%	105 Los Angeles, US	1.3%
6 Qingdao, CN	14.4%	56 Haifa, IL	4.6%	106 San Diego, US	1.3%
7 Wuhan, CN	13.4%	57 Manchester, UK	4.5%	107 Hong Kong, HK***	1.3%
8 Chongqing, CN	12.2%	58 Paris, FR	4.4%	108 Shanghai, CN	1.2%
9 Rotterdam, NL	12.1%	59 Miami, US	4.3%	109 Taipei City, TW	1.2%
10 Guangzhou, CN	12.0%	60 Johannesburg, ZA	4.2%	110 Helsinki, FI	1.1%
11 Warsaw, PL	11.5%	61 Denver, US	4.2%	111 Surat, IN	0.9%
12 Utrecht, NL	11.2%	62 Izmir, TR	4.1%	112 Dublin, IE	0.9%
13 Changsha, CN	10.9%	63 Bucharest, RO	4.1%	113 Malmo, SE	0.8%
14 Porto, PT	10.8%	64 Chennai, IN	4.0%	114 Adelaide, AU	0.8%
15 Bogota, CO	10.8%	65 Nottingham, UK	4.0%	115 Trieste, IT*	0.7%
16 Zhengzhou, CN	10.5%	66 Thessaloniki, GR	4.0%	116 Nicosia, CY	0.7%
17 Osaka, JP	9.4%	67 Zurich, CH	3.9%	117 Gothenburg, SE	0.7%
18 Amsterdam, NL	9.1%	68 Tallinn, EE	3.9%	118 Winnipeg, CA	0.5%
19 Cape Town, ZA	9.1%	69 Quebec, CA	3.9%	119 Shenzhen, CN	0.3%
20 Bengaluru, IN	8.7%	70 Tokyo, JP	3.8%	120 Napoli, IT*	0.2%
21 Zagreb, HR	8.5%	71 Reykjavik, IS	3.8%	121 Edmonton, CA	0.1%
22 Madrid, ES	8.3%	72 Lille, FR	3.8%	122 Canberra, AU	0.0%
23 Sevilla, ES	8.1%	73 Edinburgh, UK	3.8%	123 Mumbai, IN	0.0%
24 Wellington, NZ	7.9%	74 Boston, US	3.7%	124 Bristol, UK	-0.2%
25 Seoul, KR	7.8%	75 Minneapolis, US	3.7%	125 Turin, IT*	-0.5%
26 Lyon, FR	7.6%	76 Limassol, CY	3.6%	126 Skopje, MK	-0.9%
27 Ningbo, CN	7.6%	77 Hamburg, DE	3.3%	127 Auckland, NZ	-1.1%
28 Nagoya, JP	7.6%	78 Toronto, CA	3.3%	128 Kuala Lumpur, MY	-1.2%
29 Mexico City, MX	7.5%	79 Detroit, US	3.2%	129 Brisbane, AU	-1.3%
30 Barcelona, ES	7.4%	80 Hamilton, CA	3.2%	130 Geneva, CH****	-1.4%
31 Wuxi, CN	7.3%	81 Singapore, SG	3.1%	131 Istanbul, TR	-1.7%
32 Kolkata, IN	7.0%	82 Beijing, CN	3.1%	132 Rome, IT*	-2.0%
33 Santiago, CL	6.7%	83 Halifax, CA	3.0%	133 Vancouver, CA	-2.1%
34 Sofia, BG	6.6%	84 Dallas, US	2.9%	134 London, UK	-2.2%
35 Hangzhou, CN	6.6%	85 Washington, US	2.8%	135 Perth, AU	-2.7%
36 Bern, CH	6.5%	86 Venice, IT*	2.6%	136 Tel Aviv, IL	-2.7%
37 Lima, PE	6.4%	87 Brussels, BE	2.5%	137 Calgary, CA	-2.8%
38 Phoenix, US	6.0%	88 Lisbon, PT	2.5%	138 Rio de Janeiro, BR	-2.8%
39 Athens, GR	5.8%	89 Riga, LV	2.3%	139 Delhi, IN	-3.1%
40 Berlin, DE	5.8%	90 Nanjing, CN	2.3%	140 Stockholm, SE	-3.1%
41 Moscow, RU	5.6%	91 New York, US	2.3%	141 Genoa, IT*	-3.8%
42 Bratislava, SK	5.6%	92 Sao Paulo, BR	2.1%	142 Palermo, IT*	-3.8%
43 Vienna, AT	5.5%	93 Nagpur, IN	2.0%	143 Darwin, AU	-4.2%
44 Montreal, CA	5.5%	94 Pune, IN	1.9%	144 Ljubljana, SI	-4.9%
45 Valencia, ES	5.5%	95 Ankara, TR	1.8%	145 Abu Dhabi, AE	-6.5%
46 Munich, DE	5.3%	96 Milan, IT*	1.8%	146 Aberdeen, UK	-6.8%
47 Malaga, ES	5.2%	97 Tianjin, CN	1.8%	147 Dubai, AE	-8.5%
48 Ottawa, CA	5.2%	98 Marseille, FR	1.8%	148 Jerusalem, IL	-9.2%
49 Birmingham, UK	4.9%	99 Jakarta, ID**	1.8%	149 Melbourne, AU	-9.4%
50 Florence, IT*	4.8%	100 Chicago, US	1.7%	150 Sydney, AU	-10.3%

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