

The Prime Global Cities Index is a valuation-based index tracking the movement of prime residential prices across 45+ cities worldwide using data from our global research network. The index tracks nominal prices in local currency.



Prime Global Cities Index

Q4 2021

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HEADLINES

Dubai

THE CITY WITH THE FASTEST RISING PRIME PRICES IN THE YEAR TO Q4 2021

9.8%

THE INDEX'S OVERALL PERFORMANCE IN THE YEAR TO Q3 2021

4

THE NUMBER OF CITIES THAT SAW PRICES DECLINE IN 2021 YEAR-ON-YEAR

41%

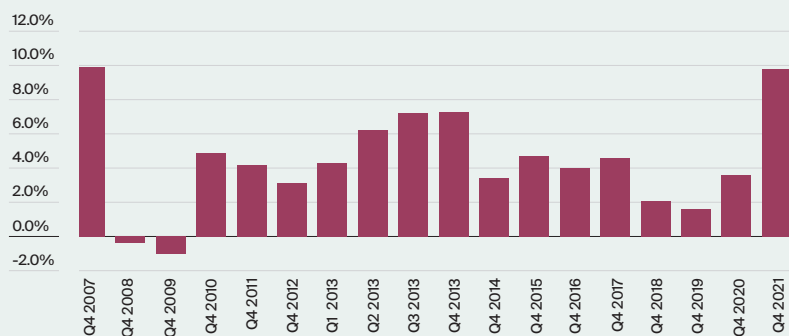
THE PERCENTAGE OF CITIES THAT REGISTERED PRICE GROWTH ABOVE 10% IN 2021

14.5%

AVERAGE ANNUAL PRICE GROWTH ACROSS NORTH AMERICA AND AUSTRALASIA

Prime prices rise at their fastest rate since 2007

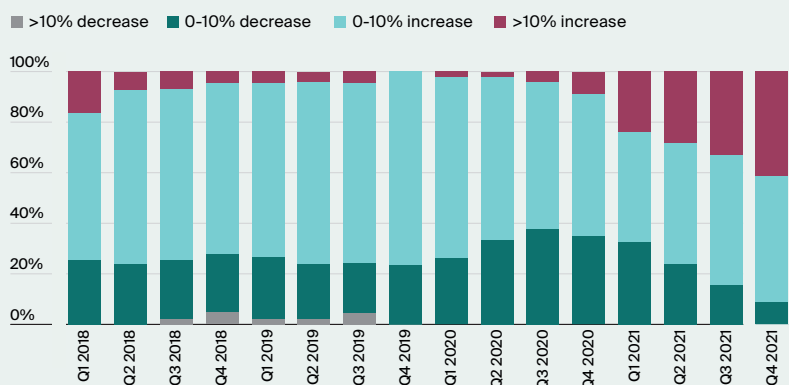
Annual % change



Source: Knight Frank Research

Top heavy

% of cities split by annual price growth



Source: Knight Frank Research

Prime prices across 46 global cities are rising at their fastest rate since 2007.

Prices increased by 9.8% on average in 2021, up from 3.6% in 2020.

Low interest rates, stock shortages, accrued savings in lockdowns and the widespread reassessment of housing need, including the adoption of more flexible working patterns, fuelled demand in 2021.

Dubai high

Dubai leads the index with stellar price growth of 44.4%. International buyers have been drawn by its relative value, its government's handling of the pandemic and the lifestyle on offer.

Moscow sits in second place with prices up 42.4% boosted in part by an attractive mortgage subsidy scheme and tight supply which has been exacerbated by the pandemic and construction delays.

Based in emerging and developing markets, Dubai and Moscow are key outliers. The cities in the top half of the rankings table are largely based in advanced nations with North America and Australasia key hotspots. Across the 12 cities tracked in these two world regions, prices increased by 14.5% on average in 2021.

Only four cities saw prices decline in 2021, all were based in Asia: Jakarta (-0.4%), Kuala Lumpur (-0.9%), Manila (-1.5%) and Bangkok (-3.6%).

Stepping in

Escalating prices are catching the attention of policymakers. Some central banks acted in the final quarter of 2021, New Zealand and the UK amongst them. In 2022, analysts suggest an increasingly hawkish Federal Reserve could lead to as many as four rate rises in the US. China, meanwhile, started the year by going in the opposite direction.

Despite concerns around developer debt and a real estate-led economic slowdown, key cities on the Chinese mainland posted solid results in 2021, Shanghai was the frontrunner with luxury prices up 16.5%. One of the key questions for 2022 is how quickly the economy will stabilise and the flow of outbound capital start to normalise.

We expect more regulation in 2022. The only substantive move in 2021 was by Singapore which made the unexpected move to hike additional buyers stamp duty for all buyer types including developers.

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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Prime property definition: The most desirable and expensive property in a given location, generally defined as the top 5% of each market by value. Prime markets often have a significant international bias.

THE KNIGHT FRANK PRIME GLOBAL CITIES INDEX Q4 2021

Ranked by annual % change

	CITY	WORLD REGION	12-MONTH % CHANGE (Q4 2020-Q4 2021)	3-MONTH % CHANGE (Q3 2021-Q4 2021)
1	Dubai	Middle East	44.4%	11.6%
2	Moscow ³	Russia & CIS	42.4%	24.6%
3	Miami ^{1,3}	North America	28.2%	6.7%
4	Seoul	Asia	21.0%	7.5%
5	Toronto	North America	20.3%	8.8%
6	Taipei	Asia	18.9%	3.5%
7	San Francisco ^{1,3}	North America	18.6%	1.5%
8	Los Angeles ^{1,3}	North America	18.5%	4.0%
9	Gold Coast	Australasia	17.1%	7.8%
10	Shanghai	Asia	16.5%	0.5%
11	Sydney	Australasia	16.2%	6.2%
12	Vancouver	North America	11.7%	0.2%
13	Guangzhou	Asia	11.4%	-2.8%
14	Brisbane	Australasia	11.2%	5.8%
15	Stockholm	Europe	10.8%	1.3%
16	Perth	Australasia	10.5%	2.9%
17	Berlin	Europe	10.4%	4.5%
18	Zurich	Europe	10.0%	3.4%
19	Monaco	Europe	10.0%	5.8%
20	Auckland	Australasia	9.8%	6.8%
21	Melbourne	Australasia	9.4%	4.1%
22	Geneva	Europe	9.0%	0.7%
23	Beijing	Asia	8.9%	0.7%
24	Edinburgh	Europe	8.6%	1.8%
25	Hong Kong	Asia	7.2%	1.6%
26	Paris	Europe	6.3%	2.2%
27	Tokyo ²	Asia	6.3%	3.0%
28	St. Petersburg ³	Russia & CIS	5.8%	0.7%
29	Shenzhen	Asia	4.3%	7.4%
30	Singapore	Asia	3.5%	2.5%
31	Vienna	Europe	3.3%	0.0%
32	Madrid	Europe	3.0%	0.5%
33	New York	North America	2.6%	1.7%
34	Nairobi	Africa	2.4%	1.1%
35	Lisbon	Europe	1.7%	-0.5%
36	Dublin	Europe	1.6%	-2.9%
37	Frankfurt	Europe	1.3%	-0.3%
38	London	Europe	1.3%	0.5%
39	Bucharest	Europe	1.2%	0.5%
40	Mumbai	Asia	0.3%	0.3%
41	Bengaluru	Asia	0.3%	0.8%
42	Delhi	Asia	0.0%	0.0%
43	Jakarta	Asia	-0.4%	0.1%
44	Kuala Lumpur	Asia	-0.9%	0.0%
45	Manila	Asia	-1.5%	0.0%
46	Bangkok	Asia	-3.6%	-2.3%

¹ Based on top-tier of mainstream market in metro area. ² Based on all contracts above Yen100m. ³ Provisional

Notes: Data for New York relates to Manhattan; Data for Los Angeles, Miami, New York and San Francisco is to October 2021. Data for Auckland, Dubai, Hong Kong, Tokyo and Taipei is to Q3 2021.

Source: All data comes from Knight Frank's global network with the exception of Tokyo (Ken Corporation); New York (StreetEasy); Los Angeles, Miami and San Francisco (S&P CoreLogic Case-Shiller); Berlin and Frankfurt (ZIEGERT Research/ ImmobilienScout 24); Stockholm (Svensk Maklarstatistik); Toronto (Real Estate Board of Toronto); Vancouver (Vancouver Real Estate Board); Zurich and Geneva (Wüest Partner).

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