

The Global Residential Cities Index tracks the movement in mainstream residential prices across 150 cities worldwide using official statistics.



Global Residential Cities Index

Q2 2020

knightrank.com/research

HEADLINES

Izmir

THE CITY WITH THE HIGHEST RATE OF ANNUAL GROWTH IN THE YEAR TO JUNE 2020 (28%)

3.4%

AVERAGE ANNUAL PRICE GROWTH ACROSS 150 CITIES

19%

THE PERCENTAGE OF CITIES REGISTERING AN ANNUAL PRICE DECLINE

16

THE NUMBER OF CITIES REGISTERING DOUBLE-DIGIT PRICE INCREASES

Stockholm

SAW ANNUAL PRICE GROWTH INCREASE BY 6% IN THE YEAR TO JUNE 2020

The index's annual rate of growth declined marginally from 3.6% to 3.4% between March and June this year. Not surprising, given most housing markets were stopped in their tracks by the pandemic in the second quarter with transactions unable to complete. Nevertheless, the index is still recording growth on a par with that seen in 2018 and 2019 (Fig 1).

That said, there are some indications of weakening performance. Firstly, the percentage of cities seeing prices fall year-on-year increased from 15% to 19% between March and June this year. Secondly, the number of cities recording double-digit price rises on an annual basis declined from 20 to 16 over the same three-month period.

Turkish cities now occupy the top three rankings. The fundamentals of strong demand and constrained supply explain the level of growth along with a weakening lira. The population of Turkey has increased by 12 million to 83 million in the last decade alone according to the World Bank. The weak lira - now close to 7.6 to the US dollar - is also boosting demand from gulf countries.

European cities now account for two of the top ten rankings, down from four a year ago with Luxembourg the strongest performer, up 14%.

Italian cities registered price growth of 3% on average, up from 0% a year earlier, with Milan leading the way with annual growth of 11%.

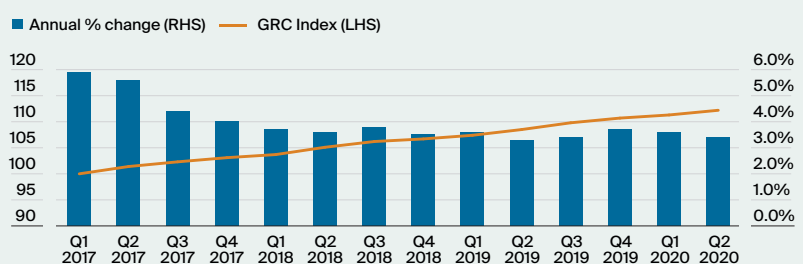
Two of the three Swedish cities we track, where no formal lockdown was enforced, have seen their rate of growth increase

since March. Stockholm saw annual price growth rise from 5% to 6% and Gothenburg from 2% to 4%.

Phoenix leads the US cities we track with price growth of 9%. On average, US cities have seen their annual rate of growth drop from 4.2% in March to 3.9% in June.

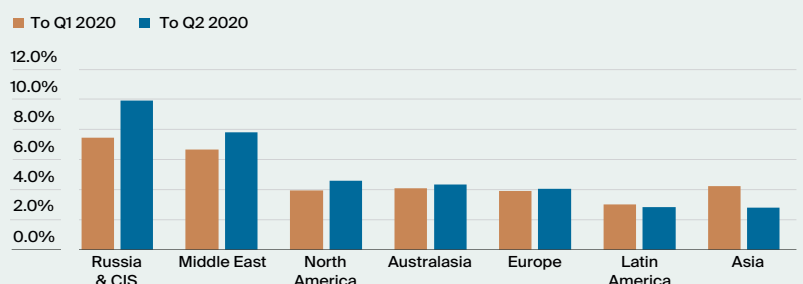
Fig 1. Index still rising but rate of growth moderates

Indexed, 100 = Q1 2017



Source: Knight Frank Research

Fig 2. Asian and Latin American cities saw rate of price growth moderate in Q2 2020



Source: Knight Frank Research

What we'll be watching in Q3 2020:

- Any regional variations in performance
- Whether housing markets in tourist-driven economies are more heavily impacted by the pandemic
- If second surges of the pandemic put a brake on sentiment, demand and hence price growth
- The extent to which supply constraints in several tier one cities insulate prices

Source: Knight Frank Research

*Asking prices **Provisional *** Metropolitan area

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 Q2 2020 except: Athens, Berlin, Brussels, Bucharest, Budapest, Frankfurt, Hamburg, Lille, Limassol, Ljubljana, Luxembourg, Manila, Marseille, Munich, Nagoya, Nicosia, Osaka, Sofia, Taipei, Tokyo, Vilnius and Zagreb which is to Q1 2020. Data for Detroit, Kuala Lumpur and Santiago is to Q4 2019.

Spanish data relates to the city-region

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you.



Sales enquiries

Mark Harvey

+44 20 7861 5034

mark.harvey@knightfrank.com



Research enquiries

Kate Everett-Allen

+44 20 7167 2497

kate.everett-allen@knightfrank.com

THE KNIGHT FRANK GLOBAL RESIDENTIAL CITIES INDEX, Q2 2020

RANKED BY ANNUAL % CHANGE (Q2 2019-Q2 2020)

CITY	12-MONTH CHANGE (%)	CITY	12-MONTH CHANGE (%)	CITY	12-MONTH CHANGE (%)
1 IZMIR, TR	28.1%	51 THESSALONIKI, GR	5.5%	101 SAN FRANCISCO, US	1.5%
2 ANKARA, TR	26.4%	52 ZURICH, CH	5.5%	102 NAGOYA, JP	1.4%
3 ISTANBUL, TR	20.2%	53 CHANGSHA, CN	5.4%	103 SKOPJE, MK	1.4%
4 MANILA, PH	18.3%	54 MINNEAPOLIS, US	5.4%	104 LJUBLJANA, SI	1.4%
5 ST. PETERSBURG, RU	16.2%	55 AMSTERDAM, NL	5.3%	105 NICOSIA, CY	1.2%
6 SEOUL, KR	15.2%	56 SHENZHEN, CN	5.3%	106 SINGAPORE, SG	1.2%
7 LUXEMBOURG, LX	13.9%	57 MEXICO CITY, MX	5.3%	107 VANCOUVER, CA	1.1%
8 OTTAWA GATINEAU, CA	13.0%	58 HANGZHOU, CN	5.2%	108 EXETER, UK	1.0%
9 ZAGREB, HR	12.6%	59 CHONGQING, CN	5.2%	109 HELSINKI, FI	1.0%
10 HALIFAX, CA	11.8%	60 WINNIPEG, CA	5.1%	110 FLORENCE, IT*	0.9%
11 KIEV, UA	11.2%	61 SAN DIEGO, US	5.0%	111 SEVILLA, ES	0.8%
12 LYON, FR	10.9%	62 BERLIN, DE	4.9%	112 NAPOLI, IT*	0.8%
13 HOBART, AU	10.8%	63 LILLE, FR	4.9%	113 ROME, IT*	0.8%
14 MILAN, IT*	10.8%	64 BRISTOL, UK	4.6%	114 JERUSALEM, IL	0.7%
15 ATHENS, GR	10.5%	65 REYKJAVIK, IS	4.4%	115 CHICAGO, US	0.6%
16 MONTREAL, CA	10.3%	66 LONDON, UK	4.3%	116 BRISBANE, AU	0.5%
17 BUDAPEST, HU	9.8%	67 ATLANTA, US	4.2%	117 GUANGZHOU, CN	0.5%
18 BRATISLAVA, SK	9.7%	68 HAMBURG, DE	4.2%	118 TAIPEI CITY, TW	0.4%
19 BUCHAREST, RO	9.6%	69 VIENNA, AT	4.1%	119 BIRMINGHAM, UK	0.3%
20 SYDNEY, AU	9.4%	70 BOGOTA, CO	4.1%	120 HAIFA, IL	0.3%
21 TORONTO, CA	9.1%	71 MIAMI, US	4.0%	121 RIGA, LV	0.1%
22 WUXI, CN	9.0%	72 DENVER, US	4.0%	122 QUEBEC, CA	0.0%
23 PHOENIX, US	9.0%	73 LOS ANGELES, US	3.9%	123 TIANJIN, CN	-0.1%
24 UTRECHT, NL	9.0%	74 GOTHENBURG, SE	3.8%	124 LIMA, PE	-0.1%
25 WARSAW, PL	8.9%	75 SHANGHAI, CN	3.7%	125 MALAGA, ES	-0.2%
26 HAMILTON, CA	8.4%	76 FRANKFURT, DE	3.6%	126 ZHENGZHOU, CN	-0.4%
27 TALLINN, EE	7.9%	77 BEIJING, CN	3.6%	127 DUBLIN, IE	-0.5%
28 WUHAN, CN	7.8%	78 BRUSSELS, BE	3.6%	128 TURIN, IT*	-0.6%
29 ROTTERDAM, NL	7.8%	79 WASHINGTON, US	3.5%	129 MADRID, ES	-0.8%
30 XI'AN, CN	7.8%	80 BOSTON, US	3.5%	130 KUALA LUMPUR, MY	-1.2%
31 MARSEILLE, FR	7.8%	81 DETROIT, US	3.3%	131 PERTH, AU	-1.2%
32 VENICE, IT*	7.8%	82 BENGALURU, IN	3.3%	132 CALGARY, CA	-1.3%
33 TRIESTE, IT*	7.8%	83 TOKYO, JP	3.2%	133 RIO DE JANEIRO, BR	-1.3%
34 WELLINGTON, NZ	7.3%	84 COPENHAGEN, DK	3.1%	134 PALERMO, IT*	-1.4%
35 VILNIUS, LI	7.0%	85 DALLAS, US	3.1%	135 OXFORD, UK	-1.8%
36 HYDERABAD, IN	6.9%	86 MUNICH, DE	3.0%	136 AHMEDABAD, IN	-1.9%
37 MELBOURNE, AU	6.8%	87 OSAKA, JP	3.0%	137 BARCELONA, ES	-2.1%
38 PARIS, FR	6.8%	88 QINGDAO, CN	2.5%	138 EDMONTON, CA	-2.4%
39 CANBERRA, AU	6.7%	89 SAO PAULO, BR	2.5%	139 GENOA, IT*	-2.5%
40 SANTIAGO, CL	6.7%	90 BERN, CH	2.4%	140 VALENCIA, ES	-2.7%
41 SEATTLE, US	6.5%	91 GLASGOW, UK	2.4%	141 HONG KONG, HK***	-2.7%
42 MALMO, SE	6.3%	92 MOSCOW, RU	2.4%	142 MUMBAI, IN	-3.2%
43 SOFIA, BG	6.2%	93 LISBON, PT	2.2%	143 KOLKATA, IN	-3.7%
44 STOCKHOLM, SE	6.1%	94 OSLO, NO	2.2%	144 DARWIN, AU	-5.1%
45 NANJING, CN	6.0%	95 ADELAIDE, AU	2.2%	145 PUNE, IN	-5.4%
46 GENEVA, CH	6.0%	96 LIMASSOL, CY	1.9%	146 CHENNAI, IN	-5.5%
47 NINGBO, CN	6.0%	97 MANCHESTER, UK	1.8%	147 ABERDEEN, UK	-5.7%
48 PORTO, PT	6.0%	98 NEW YORK, US	1.7%	148 DELHI, IN	-5.8%
49 EDINBURGH, UK	5.8%	99 TEL AVIV, IL	1.7%	149 DUBAI, AE	-6.6%
50 AUCKLAND, NZ	5.8%	100 JAKARTA, ID***	1.5%	150 ABU DHABI, AE	-8.3%

Knight Frank Research Reports are available at knightfrank.com/research



Knight Frank Research provides strategic advice, consultancy services and forecasting to a wide range of clients worldwide including developers, investors, funding organisations, corporate institutions and the public sector. All our clients recognise the need for expert independent advice customised to their specific needs. © Knight Frank LLP 2020. Terms of use: This report is published for general information only and not to be relied upon in any way. All information is for personal use only and should not be used in any part for commercial third party use. By continuing to access the report, it is recognised that a licence is granted only to use the reports and all content therein in this way. Although high standards have been used in the preparation of the information, analysis, views and projections presented in this report, no responsibility or liability whatsoever can be accepted by Knight Frank LLP for any loss or damage resultant from any use of, reliance on or reference to the contents of this document. As a general report, this material does not necessarily represent the view of Knight Frank LLP in relation to particular properties or projects. The content is strictly copyright and reproduction of the whole or part of it in any form is prohibited without prior written approval from Knight Frank LLP. Knight Frank LLP is a limited liability partnership registered in England with registered number OC305934. Our registered office is 55 Baker Street, London, W1U 8AN, where you may look at a list of members' names.