

Global House Price Index

2024 Q2 Edition

Knight Frank's Global House Price Index provides a quarterly snapshot of trends in mainstream housing markets across 56 markets

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Global house price growth accelerates

- House prices across our 56-market basket rose by 3.3% in the 12 months to the end of June, with prices increasing by 1.9% over the past three months alone.

GROWTH TICKS UP

Although the current 3.3% annual growth rate remains below the pre-Covid trend of 4.6%, growth has ticked up since the low reached in Q2 2023. On a quarterly basis, the 1.9% growth is well above the pre-Covid average of 1.1%. This points to overall strengthening in the market, with fully 74% of markets seeing price increases in the past three-month period, the highest reading in two years.

GROWTH MARKETS

Turkey leads our index with 46.4% nominal annual price growth. However, with the economy undergoing a second round of very high inflation, prices are dropping by around 14% annually in real, inflation-adjusted terms. Poland sits in second place with 18% price growth. Strong population growth and the recent "Safe Credit" mortgage subsidy program have helped push prices higher against an ongoing structural undersupply of homes.

CHALLENGED MARKETS

Hong Kong SAR is at the bottom of our table with prices falling by 12.7%, although prices were flat over the last quarter, pointing to the potentially successful impact of recent easing of purchase restrictions and stamp duties. The Chinese mainland is struggling to achieve growth, with prices slipping by 5.2% over the past year. This downturn comes despite various support measures from the government.

Some recent market improvements in cities like Shanghai hold out hope for a wider recovery, but this is likely to be gradual at best.

RECOVERY MARKETS

The US market continues to deliver strong growth numbers, up 5.5% on an annual basis. Some of this growth is due to falling mortgage rates, but most of it results from strong household formation and limited housing supply. This issue is worsened by the very low long-term rates that existing owners benefit from and the lack of market liquidity this has created across the US. Rates need to fall much further before sales volumes begin to normalise.

"Rate cutting is supporting rising house prices globally. The rate of this growth will be limited by the pace of central bank activity, but also by government intervention, which, as can be seen in the Chinese mainland, Hong Kong SAR, and Poland, is becoming a much more active policy area. Regulators are attempting to boost access to markets and increase house building volumes."

Liam Bailey, Knight Frank's Global Head of Research

3.3%

average global house price growth across our 56-market basket

4.6%

long-run average annual global house price growth

Hong Kong SAR

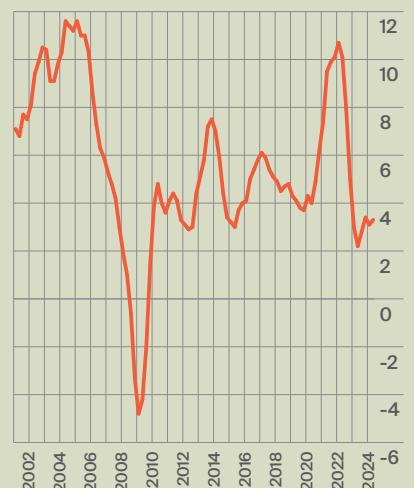
weakest market in terms of annual growth, but mid-table on quarterly growth

74%

of markets saw prices rise in Q2

Fig 1: The Knight Frank Global House Price Index

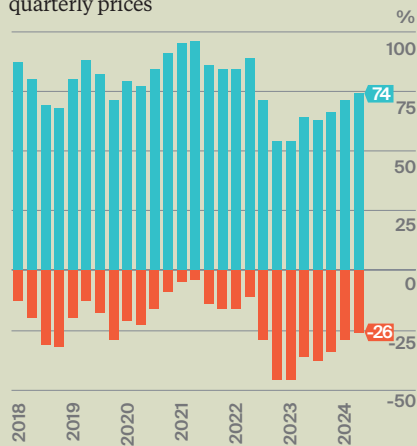
2024 Q2 edition, overall index annual % change



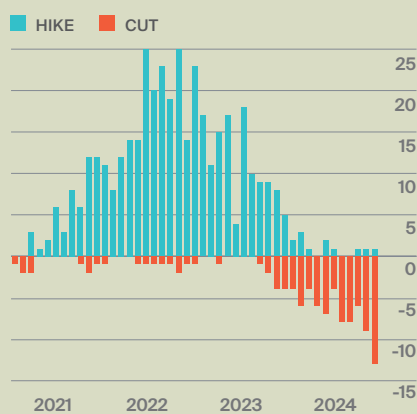
Source: Knight Frank Research

Fig 2: Share of markets

Proportion of markets with rising or falling quarterly prices

**Fig 3: Rate cuts outpace hikes**

Global central bank policy rates, monthly hikes vs cuts



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Fig 4: The Knight Frank Global House Price Index

2024 Q2 edition, markets ranked by annual % change

Rank/Location		12-month % change	6-month % change	3-month % change
1	Turkey	46.4	14.4	6.5
2	Poland	18.0	9.3	4.3
3	Bulgaria	15.1	10.8	3.4
4	Taiwan	11.9	7.2	3.6
5	North Macedonia	11.5	7.4	8.2
6	Colombia	10.9	4.7	2.0
7	Netherlands	9.8	6.3	3.3
8	Mexico	9.4	5.1	2.1
9	Greece	9.2	4.4	1.5
10	Croatia	9.1	5.2	1.7
11	Hungary	9.1	6.7	5.2
12	Ireland	8.9	3.4	1.8
13	Australia	8.8	4.2	4.8
14	Estonia	6.7	4.8	2.8
15	Slovenia	6.7	3.4	2.2
16	Portugal	6.6	5.3	2.4
17	Iceland	6.3	4.9	2.8
18	Singapore	6.2	1.6	0.6
19	Brazil	6.2	3.6	2.0
20	Israel	5.8	5.3	2.3
21	Spain	5.7	2.9	1.6
22	Japan	5.6	4.2	0.5
23	United States	5.5	4.6	2.7
24	Romania	5.5	2.8	1.3
25	Denmark	4.5	3.0	2.5
26	Czech Republic	4.2	3.6	2.4
27	Canada	3.6	5.9	4.1
28	Belgium	3.4	0.6	-0.2
29	Malta	3.4	2.2	-4.1
30	India	3.3	2.8	1.8
31	Italy	2.9	3.0	3.1
32	Cyprus	2.9	0.5	0.0
33	Sweden	2.3	5.1	-0.6
34	Peru	2.3	-1.4	1.0
35	Indonesia	1.8	0.9	0.4
36	Norway	1.5	8.3	4.2
37	United Kingdom	1.5	3.3	1.9
38	South Korea	1.1	0.9	0.7
39	Latvia	1.1	5.0	2.3
40	Morocco	1.0	0.2	-
41	Malaysia	0.9	-1.1	-2.1
42	South Africa	0.6	-0.3	-0.4
43	Switzerland	0.5	0.5	0.6
44	New Zealand	-0.4	-1.5	-1.1
45	Chile	-0.7	-1.6	0.5
46	Ukraine	-1.0	-3.5	-1.5
47	Slovakia	-1.3	1.2	1.6
48	Lithuania	-1.5	1.3	-5.3
49	Austria	-2.5	-0.7	-0.1
50	Germany	-3.0	0.1	0.5
51	France	-5.0	-2.1	-0.6
52	Chinese Mainland	-5.2	-3.7	-2.0
53	Finland	-6.8	-4.7	0.8
54	Jersey	-9.0	-3.6	-3.9
55	Luxembourg	-10.9	-2.5	-0.4
56	Hong Kong SAR	-12.7	-3.3	-

Source: Knight Frank Research