



27 May 2021

## Statistical release: BIS residential property price statistics at Q4 2020

- Global real property prices increased by 4% year on year in Q4 2020, against the backdrop of the Covid-19 pandemic and the associated fiscal and monetary stimulus.<sup>1</sup>
- Real prices grew by close to 7% on average in advanced economies (AEs), and by 2% in emerging market economies (EMEs).
- Among the major jurisdictions, real house prices rose the most in Turkey, Canada, Russia and the United States, while they kept falling year on year in India.
- In real terms, global house prices are now about one fifth higher than their average immediately after the Great Financial Crisis (GFC) of 2007–09.

### Summary of latest developments

Global real house prices rose by [4%](#) year on year in aggregate in the last quarter of 2020, the fastest growth rate since the GFC. This reflected primarily a significant and widespread acceleration in AEs, where prices rose by [6.6%](#) on average, compared with a more modest [2.0%](#) in EMEs (Graph1) – with notable differences across regions, especially central and eastern Europe (+9%), Latin America (+3%), emerging Asia (0%) and the Middle East and Africa (0%).

In real terms, global house prices now exceed their immediate post-GFC average by [21%](#) (and by [27%](#) and [17%](#) for AEs and EMEs, respectively; Table 1). Among the G20 economies, real prices have risen markedly over the past decade in India, Canada, Germany, United States and Mexico. At the other end of the scale, they remain well below their post-GFC levels in Italy and Russia (Graph 2).

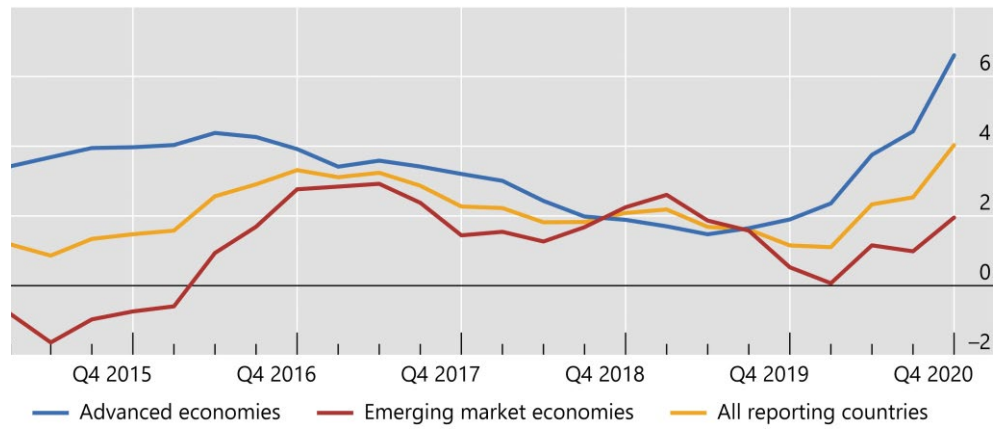
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<sup>1</sup> Real residential property prices refer to nominal residential property price indicators deflated by the consumer price index. Global aggregates are weighted aggregates of selected AEs (Australia, Canada, Denmark, the euro area, Iceland, Japan, New Zealand, Norway, Sweden, Switzerland, the United Kingdom and the United States) and EMEs (Brazil, Bulgaria, Chile, China, Colombia, Croatia, the Czech Republic, Hong Kong SAR, Hungary, India, Indonesia, Israel, Korea, Malaysia, Mexico, Morocco, North Macedonia, Peru, the Philippines, Poland, Romania, Russia, Singapore, South Africa, Thailand, Turkey and the United Arab Emirates), based on PPP exchange rates.

## Aggregate developments in real residential property prices<sup>1</sup>

Year-on-year changes, in per cent

Graph 1



<sup>1</sup> Based on quarterly averages; CPI-deflated.

Source: BIS calculations based on selected residential property price series.

## Regional developments in real residential property prices, in per cent, Q4 2020

Table 1

	Cumulative from 2010 <sup>1</sup>	Year-on-year
All reporting countries	21.1	4.0
Advanced economies	26.8	6.6
Non-European countries	34.7	6.9
Euro area	12.7	6.1
European countries outside the euro area	27.0	6.1
Emerging market economies	16.6	2.0
Latin America	18.7	2.7
Asia	25.0	0.4
Central and eastern Europe <sup>2</sup>	-14.0	9.1
Middle East and Africa	10.6	-0.5

Estimated weighted quarterly averages based on rolling GDP and PPP exchange rates.

<sup>1</sup> Average of 2010 = 100. <sup>2</sup> Not including members of the euro area.

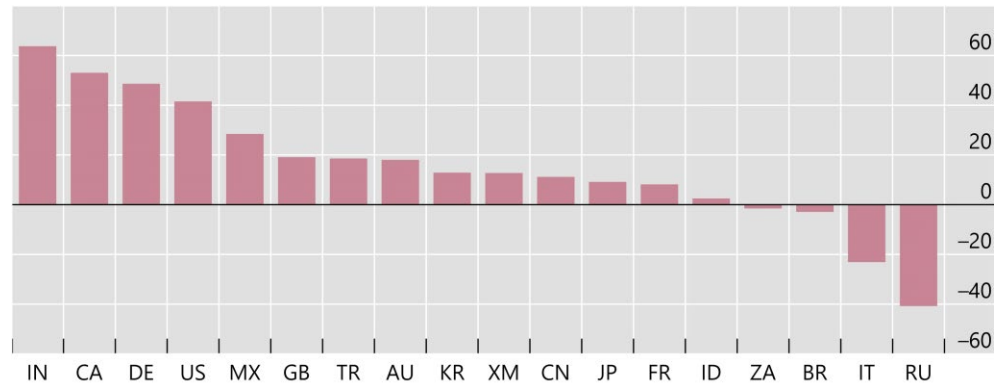
Source: BIS calculations based on selected residential property price series.

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## Real residential property price developments in selected countries since the GFC<sup>1</sup>

Cumulative changes since 2010, in per cent

Graph 2



AU = Australia; BR = Brazil; CA = Canada; CN = China; DE = Germany; FR = France; GB = United Kingdom; ID = Indonesia; IN = India; IT = Italy; JP = Japan; KR = Korea; MX = Mexico; RU = Russia; TR = Turkey; US = United States; XM = euro area; ZA = South Africa.

<sup>1</sup> Based on quarterly averages; CPI-deflated.

Source: BIS selected residential property price series.

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## Advanced economies

In aggregate for the group of AEs, real residential property prices soared by 6.6% year on year in Q4 2020, compared with less than 2% one year before.<sup>2</sup> Real prices increased markedly in New Zealand (+13%), Canada (+11%), the United States (+8%), the euro area (+6%) and the United Kingdom (+6%). They grew more moderately in Australia and Japan (+3%) (Graph 3).

In the [euro area](#), real house price inflation reached its highest rate since 1999, driven by strong growth in several large member states: by 9% year on year in Portugal, 8% in Germany and the Netherlands, and 6% in France. Prices increased less markedly in Italy and Spain (+2% in both cases) (Graph 4).

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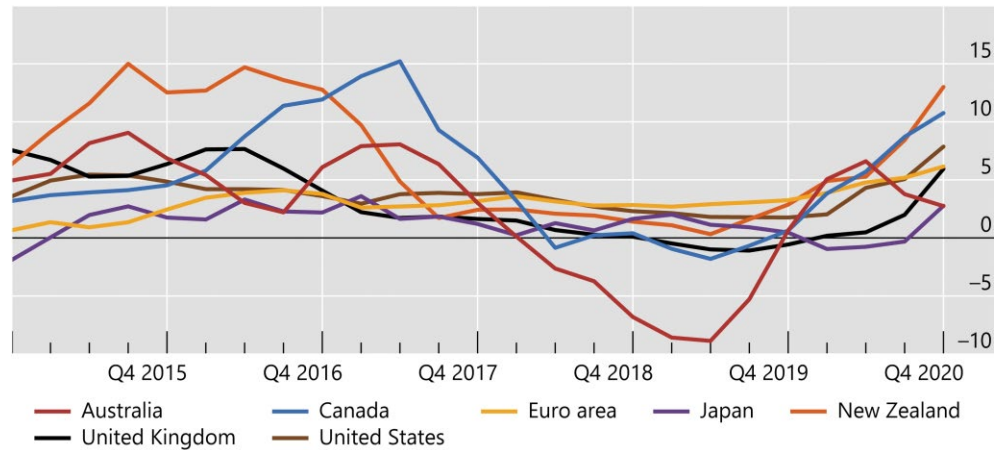
<sup>2</sup> Property market developments during the pandemic should be interpreted with caution. Anecdotal evidence suggests that conditions have changed markedly, possibly reflecting the impact of lockdowns and social distancing measures on household spending decisions. Yet, data on the number of transactions are scarce and difficult to compare across countries. For instance, [Eurostat](#) published house sales transaction data for a mere 12 countries in the last quarter of 2020. Among them, the number of transactions has risen in six, fallen in four and remained flat in two economies, as compared with one year earlier (this nevertheless represented a significant change compared to the second quarter of 2020, when the number of transactions fell significantly in most of these countries as the pandemic escalated). The number of [US new single-family houses sold](#) has increased significantly over the same period.

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## Real residential property prices in selected advanced economies<sup>1</sup>

Year-on-year changes, in per cent

Graph 3



<sup>1</sup> Based on quarterly averages; CPI-deflated.

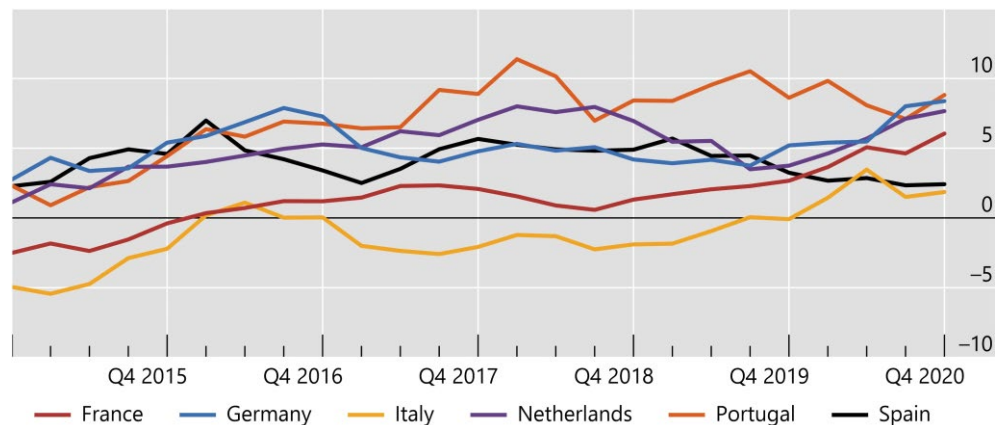
Source: BIS selected residential property price series.

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## Real residential property prices in selected euro area member states<sup>1</sup>

Year-on-year changes, in per cent

Graph 4



<sup>1</sup> Based on quarterly averages; CPI-deflated.

Source: BIS selected residential property price series.

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## Emerging market economies

Real residential property prices grew by 2% year on year in EMEs in the last quarter of 2020. They increased slightly in emerging Asia (+0.4%), reflecting varied developments among the biggest economies: prices were up by 7% in Korea, 3% in

Thailand and 2% in China, but remained stable in Indonesia and continued to decline in India (-5%)<sup>3</sup> (Graph 5).

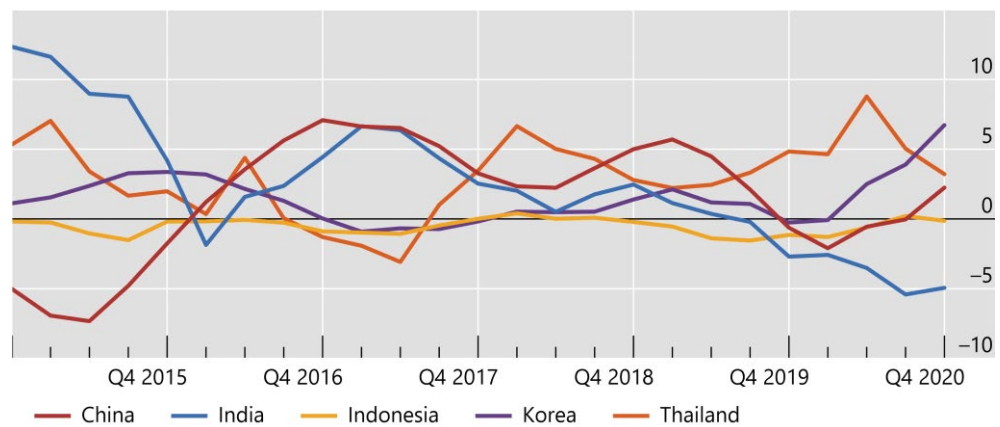
Real prices were up in Latin America in aggregate (+2.7% year on year), with strong growth recorded in Brazil (+4%) and a more subdued rise in Mexico (+2%). Turning to central and eastern Europe, they rose by an average of 9.1% year on year, led in particular by a surge in Turkey (+15%) and Russia (+9%), while house price inflation remained strong in Poland (+6%) (Graph 6).

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### Real residential property prices in selected emerging Asian countries<sup>1</sup>

Year-on-year changes, in per cent

Graph 5



<sup>1</sup> Based on quarterly averages; CPI-deflated.

Source: BIS selected residential property price series.

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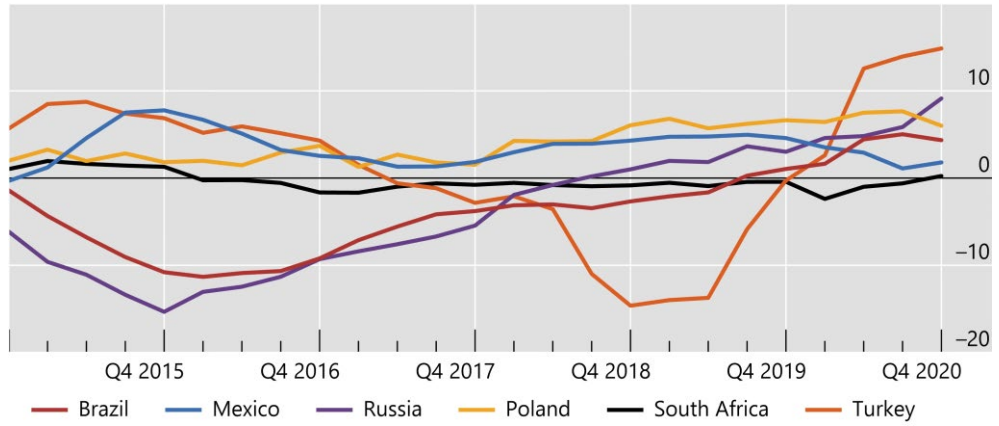
<sup>3</sup> Primarily reflecting the impact of higher CPI inflation as nominal house prices were stable in [India over this period](#).

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## Real residential property prices in selected other emerging market economies<sup>1</sup>

Year-on-year changes, in per cent

Graph 6



<sup>1</sup> Based on quarterly averages; CPI-deflated.

Source: BIS selected residential property price series.

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