

Global House Price Index

2023 Q4 Edition

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

knightfrank.com/research

Global housing market growth picks up

- Average prices across 56 major global housing markets increased again last quarter, with average annual growth now at 3.9% across our basket. This latest uptick means that prices are rising at their fastest rate since Q4 2022.

Price growth continues to gather pace across global housing markets, with our latest results confirming that prices are now rising at their fastest pace since the end of 2022.

Of the 56 markets monitored, only 18 saw prices decline on an annual basis in Q4, a decrease from 21 in Q3. On a quarterly basis, prices dropped in 18 markets, down from 24 in the previous quarter.

The resurgence in house prices has led to positive real price growth, with a 0.1% increase in inflation-adjusted terms over

the 12 months leading up to the end of Q4 2023.

The primary factor driving this price revival is the acute shortage of housing inventory in many markets. The US is a notable example, where higher mortgage rates have discouraged potential home sellers from listing their properties, when they risk a significantly higher mortgage rate when purchasing their next home.

Furthermore, this shortage of available properties has been intensified by a slowdown in the delivery of new homes, a consequence of supply disruptions

6.9%

quarterly price growth in Turkey

4

average annual growth at 3.9% is the fastest for four quarters

0.1%

real annual average price growth turned positive in Q4

-34.2%

Chile the weakest market this quarter

affecting the construction sector in numerous major developed markets over the past four years.

COUNTRY FOCUS

Turkey continues to lead our index with an annual growth of 75.5%, although the quarterly rate of growth has significantly slowed from 18.1% in Q3 to 6.9% in Q4. As Turkey experiences rapid inflation across its economy, adjusting for inflation shows that the real price growth amounted to just 6.5% in the year leading up to Q4.

European countries continue to show strong performance, with Poland, Greece, Croatia, and Bulgaria all experiencing double-digit growth, in line with countries like Mexico and Colombia.

Chile finds itself at the lower end of the table, experiencing significant annual declines, with prices falling 34.2% over the past 12 months. However, a marked

Fig 1: The Knight Frank Global House Price Index

2023 Q3 edition, overall index annual % change



Source: Knight Frank Research

decrease in housing construction in recent quarters could potentially support prices in the short term. Luxembourg is the only other country witnessing double-digit price drops, grappling with high interest and mortgage rates.

With a likely shift towards lower interest rates in the second half of 2024, it is probable that the current revival in housing prices will persist throughout the year. However, despite potential rate cuts, affordability challenges remain, and growth may be constrained by market fundamentals, particularly if housing supply increases as interest rates fall.

“The pattern is set for further price growth across the majority of global housing markets. Persistent low supply, combined with anticipated shift to lower interest rates in the latter half of this year, is expected to bolster buyer confidence and enhance affordability. However, as we approach 2025 and housing stock starts to accumulate, we anticipate a slowdown in price growth.”

Liam Bailey, Knight Frank’s global head of research

Keep up to speed with global housing markets with our monthly international residential newsletter

[SIGN UP ONLINE](#)

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



Research enquiries

Liam Bailey
+44 7919 303 148
liam.bailey@knightfrank.com



Alice Coltman
+44 7977 759 518
alice.coltman@knightfrank.com



Press enquiries

Astrid Recaldin
+44 20 7861 1182
astrid.recaldin@knightfrank.com

Fig 2: The Knight Frank Global House Price Index
2023 Q4 edition, countries / territories ranked by annual % change

Rank/Location	12-month % change	6-month % change	3-month % change
1 Turkey	75.5	26.3	6.9
2 Poland	13.0	9.5	4.8
3 Colombia	12.4	5.9	3.0
4 Greece	11.8	4.2	2.0
5 Croatia	10.9	3.8	0.3
6 Bulgaria	10.1	3.9	1.2
7 Mexico	10.0	4.1	2.0
8 Taiwan	8.0	4.3	2.4
9 India	7.7	3.2	1.7
10 Malta	7.5	1.2	0.9
11 Australia	7.5	4.2	2.2
12 North Macedonia	7.0	3.9	1.0
13 Slovenia	6.8	3.1	2.4
14 Singapore	6.6	4.6	2.3
15 Cyprus	6.5	2.4	0.9
16 Estonia	5.8	1.8	2.1
17 United States	5.6	0.8	-0.5
18 Portugal	5.3	1.2	-0.3
19 Spain	5.3	2.7	1.6
20 Brazil	5.1	2.5	1.2
21 Japan	4.9	1.6	0.1
22 Romania	4.8	2.6	3.4
23 Ukraine	4.7	2.6	2.0
24 Iceland	4.2	1.3	3.3
25 Ireland	4.1	5.3	3.3
26 South Korea	3.5	0.2	-1.9
27 Canada	3.0	-2.2	-3.2
28 Denmark	2.8	1.1	-0.4
29 Netherlands	2.0	3.3	1.4
30 Italy	1.8	-0.1	-
31 Indonesia	1.7	0.8	0.3
32 Hungary	1.5	-0.1	-0.7
33 Lithuania	1.4	-2.8	3.5
34 Belgium	1.2	0.5	1.8
35 Latvia	1.0	-3.6	-2.5
36 South Africa	0.8	1.0	1.0
37 Malaysia	0.5	-1.3	-2.5
38 Switzerland	0.1	-0.0	0.9
39 Morocco	-0.2	0.3	0.8
40 Israel	-0.6	0.9	1.4
41 Norway	-0.7	-6.3	-3.5
42 Czech Republic	-1.3	0.6	0.4
43 United Kingdom	-1.8	-1.8	-0.1
44 New Zealand	-1.8	1.0	1.1
45 Austria	-2.3	-1.7	-1.4
46 Chinese mainland	-3.2	-1.5	-1.3
47 Peru	-3.3	3.7	3.6
48 France	-3.9	-2.9	-1.8
49 Finland	-4.5	-2.2	0.5
50 Germany	-5.8	-3.1	-1.6
51 Sweden	-6.3	-0.2	-1.0
52 Hong Kong SAR	-7.2	-9.8	-6.0
53 Jersey	-8.4	-6.0	-7.9
54 Slovakia	-8.6	-2.4	-0.2
55 Luxembourg	-13.6	-8.3	-6.3
56 Chile	-34.2	1.4	-0.4

Source: Knight Frank Research



© Knight Frank LLP 2024. This document has been provided for general information only and must not be relied upon in any way. Although high standards have been used in the preparation of the information, analysis, views and projections presented in this document, Knight Frank LLP does not owe a duty of care to any person in respect of the contents of this document, and does not accept any responsibility or liability whatsoever for any loss or damage resultant from any use of, reliance on or reference to the contents of this document. The content of this document does not necessarily represent the views of Knight Frank LLP in relation to any particular properties or projects. This document must not be amended in any way, whether to change its content, to remove this notice or any Knight Frank LLP insignia, or otherwise. Reproduction of this document in whole or in part is not permitted without the prior written approval of Knight Frank LLP to the form and content within which it appears.