



## NATIONAL HOUSING BANK

### *Press Release*

#### ***NHB RESIDEX - RESIDENTIAL HOUSING PRICE INDEX Update for the Quarter Oct-Dec, 2018***

NHB RESIDEX, India's first official housing price index (HPI), was launched in July, 2007, to track the movement in prices of residential properties in select cities on quarterly basis, taking 2007 as the base year. With a view to reflect the current macroeconomic scenario, NHB RESIDEX has been revamped to include cluster of indices with updated base year, revised methodology and automated processes. The revamped NHB RESIDEX is also wider in its geographic coverage and captures two housing price indices viz. HPI@ Assessment Prices for 50 cities and HPI@ Market Prices for Under Construction Properties for 50 cities. The coverage is **spread across 21 states in India, including 18 State/UT capitals and 33 smart cities**. NHB RESIDEX also includes Composite HPI@Assessment Prices and Composite HPI@Market Prices for Under Construction Properties for 50 cities each.

Till March 2018, above HPIs tracked the movement in prices of residential properties on a quarterly basis, taking FY 2012-13 as the base year. From the April-June, 2018 quarter **the base year has been shifted to FY 2017-18**. The housing prices are classified on the basis of carpet area size at city level (INR/sq.ft.) for units under three product category levels namely  $\leq 60$  sq.mt,  $>60$  &  $\leq 110$  sq.mt, and  $>110$  sq.mt. The indices are computed using Laspeyres Methodology, followed by calculation of a four Quarter Weighted Moving Average with application of dynamic weights at product category level and static new base year weights on the weighted moving average product category level prices, across all the quarters starting from the new base year.

#### **Composite HPI@Assessment Prices based on 50 cities during the quarter October-December, 2018 with base year FY 2017-18**

- Composite HPI@Assessment Prices stood at 83 in June, 2013 and has moved up to 105 in the current quarter i.e. December, 2018. The index has moved up with a CAGR of 4.0% over the years.
- The index increased by 6.0% on YoY basis.

### **City-wise movements under HPI @ Assessment Prices during the quarter October-December, 2018 with base year FY 2017-18**

- HPI recorded an overall increase in 44 cities, decrease in 4 cities and no change in 2 cities on Y-o-Y basis.
- Annual growth in HPI ranged from 25.8% in Ranchi to (-) 2.9% in Kanpur at the end of the quarter.
- Among the 8 Tier-1 cities, Ahmedabad witnessed maximum increase at 19.6% on Y-o-Y basis followed by Hyderabad at 13.3%, Bengaluru at 11.1%, Pune at 8.1%, Mumbai at 6.1%, Kolkata at 3.0% and Chennai at 1.0%. Delhi witnessed a fall in index by (-) 2.0%.
- Of the 29 Tier-2 cities being covered, significant rise in indices was seen in Ranchi (25.8%) followed by Coimbatore (13.4), Nashik (7.1%) and Surat (6.2%), while significant fall in indices was seen in Kanpur (-2.9%) and Kochi (-1%) on Y-o-Y basis.
- On Y-o-Y basis, all Tier 3 cities showed growth with Gandhinagar (18.6%) in the lead followed by New town Kolkata (14.6%) and Thane (8.1%) showing significant increase in indices.

### **Composite HPI@Market Prices for Under Construction Properties based on 50 cities during the quarter October-December, 2018 with base year FY 2017-18**

- Composite HPI@ Market Prices for Under Construction Properties stood at 85 in June, 2013 and have steadily moved up to 103 in the current quarter i.e. December, 2018. The index has moved up with a CAGR of 3.2% over the years.
- On YoY basis, the index has witnessed a rise of 4.0%.

### **City-wise movements under HPI@Market Prices for Under Construction Properties during the quarter October-December, 2018 with base year FY 2017-18**

- HPI recorded an overall, increase in 42 cities, decrease in 5 cities and no change in 3 cities on Y-o-Y basis.
- Annual growth in HPI ranged from 14.6% in Kolkata to (-) 10.6% in Faridabad at the end of the quarter.
- Annually, all the 8 Tier 1 cities showed growth with Kolkata (14.6%) leading, followed by Hyderabad (10.2%), Mumbai (4.0%), Delhi (3.1%), Ahmedabad (3.0%), Chennai and Pune (2%), and Bengaluru at 1.0%.
- Of the 29 Tier-2 cities being covered, maximum increase in indices was seen in Nagpur (10.2%) followed by Dehradun (9.2%) and Meerut (8.1%) Indore (7.1%), while maximum decrease in indices was seen in Faridabad (-10.6%), Thiruvananthapuram (-5.9%) and Vadodara (-2.9%), on Y-o-Y basis.
- Among the 13 Tier-3 cities, the variations ranged from 10.3% in Bidhan Nagar to (-) 1.0% in Chakan on Y-o-Y basis.

For further information, the city-wise and product-wise price trends through HPI@Assessment Prices and HPI@Market Prices for Under Construction Properties during the period 2012 to December, 2018 can be viewed at <https://residex.nhbonline.org.in>.

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