

NHB Releases NHB RESIDEX for Quarter Ended September 2022

Press Release

28th November 2022

National Housing Bank releases the **NHB RESIDEX** for Quarter ended September 2022. The Housing Price Index (HPI) tracks the movement in prices of residential properties in select 50 cities on quarterly basis with FY 2017-18 as the base year.

The 50 city HPI based on valuation prices of properties collected from Primary Lending Institutions (**HPI @ Assessment Prices**) recorded an annual increase (Y-o-Y) of 7.4% in QE September 2022 as compared with 2.7% a year ago.

The annual change in **HPI @ Assessment Price** varied widely across the cities – ranging from an increase of 20.2% (Gandhinagar) to a decline of 2.3% (Bhiwadi).

Out of the 50 cities, 46 cities registered increase in the index whereas 4 cities registered decline on an annual basis. All of the eight major metros of the country viz., Ahmedabad (13.9%), Bengaluru (6.0%) , Chennai (11.6%), Delhi (6.7%), Hyderabad (10.9%), Kolkata (6.8%), Mumbai (2.4%) & Pune (5.0%) recorded increase in the index on an annual basis.

On a sequential (Q-o-Q) basis, the 50-city index registered an expansion of 1.2% in July-September 2022 as against 1.7% in the previous quarter. The index is showing an increasing trend on Q-o-Q basis since June-21.

While Ludhiana, Bhiwadi, Howrah, Thiruvananthapuram, Panvel & New Town Kolkata recorded sequential decline in the HPI @ Assessment Price during the quarter (Ludhiana recording the maximum decline of 7.3%), the index recorded increase in 44 cities with Kochi recording the highest sequential improvement of 7.4%.

The 50 city HPI @ **Market Price for Under Construction Properties** computed using the quoted prices for under construction and ready to move unsold properties, also recorded an annual increase (Y-o-Y) of 8.5% in QE September 2022 as against 2.9% a year ago.

The annual variation in HPI@ Market Price ranged from an increase of 37.7% (Bhubaneswar) to a contraction of 6.5% (Indore).

On a sequential (Q-o-Q) basis, the 50 city Index witnessed an increase of 3.7% during the quarter compared to 1.8% in previous quarter. The rising cost of construction is showing an impact on the asking prices of the property.

There has been a sustained increase in the Indices post COVID-19. The improvement has been more prominent in the Tier II and Tier III cities and the momentum is expected to continue backed by positive home buyer sentiment.
