

NHB RESIDEX - RESIDENTIAL HOUSING PRICE INDEX

Update for the Quarter Jul-Sep, 2021

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/sqft.) for units under three product category levels namely ≤ 60 sq.mt, >60 & ≤ 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 Jul-Sep, 2021 with base year FY 2017-18

- Composite HPI @ Assessment Prices stood at 83 in June, 2013 and has moved up to 115 in the current quarter i.e., September, 2021. The index has moved up with a CAGR of 3.9% over the years.
- The index has witnessed a growth of 2.7% on Y-o-Y basis.

City-wise movements under HPI @ Assessment Prices during the quarter Jul-Sep, 2021 with base year FY 2017-18

- HPI recorded an overall increase in 38 cities, decrease in 10 cities and no change in 2 cities on Y-o-Y basis.
- Annual growth rate ranged from 15.2% in Panvel to (-)6.9% in Ludhiana at the end of the quarter.
- Among the 8 Tier-1 cities, Ahmedabad witnessed maximum increase at 12.6% on Y-o-Y basis followed by Hyderabad at 9.4%, Chennai at 2.9%, Bengaluru at 2.6%, Delhi at 2.2%, Kolkata at 0.9%. Mumbai witnessed a maximum fall in Index by (-1.9%) followed by Pune (-1.8%).
- Of the 29 Tier-2 cities, significant rise in indices was seen in Thiruvananthapuram (8.5%), Raipur (8.0%) followed by Meerut (6.5%), Ranchi (5.9%) and Chandigarh (5.5%), Dehradun (5.4%) and Faridabad (5.2%), while fall in indices was seen in Ludhiana (-6.9%), Bhopal (-3.7%) and Nashik (-1.9%) on Y-o-Y basis.
- On Y-o-Y basis, 8 out of 13 Tier-3 cities showed growth with Panvel (15.2%) in the lead followed by Navi Mumbai (13.0%) and Gandhinagar (6.2%) showed significant increase in indices. Bhiwadi (-3.4%) and Howrah (-1.8%) witnessed drop in indices on Y-o-Y basis.

Composite HPI @ Market Prices for Under Construction Properties based on 50 cities during the quarter Jul-Sep, 2021 with base year FY 2017-18

- Composite HPI@ Market Prices for Under Construction Properties stood at 85 in June, 2013 and has steadily moved up to 107 in the current quarter i.e., September, 2021. The index has moved up with a CAGR of 2.7% over the years.
- On Y-o-Y basis, the index has witnessed a 2.9% growth.

City-wise movements under HPI @ Market Prices for Under Construction Properties during the quarter Jul-Sep, 2021 with base year FY 2017-18

- HPI recorded an overall, increase in 33 cities, decrease in 12 cities and no change in 5 cities on Y-o-Y basis.
- Annual growth in HPI ranged from 17.2% in Patna to (-) 5.7% in Faridabad at the end of the quarter Jul-Sep, 2021.
- Annually, out of 8 Tier-1 cities, the cities that showed growth with Hyderabad (8.4%) leading, followed by Ahmedabad (4.9%), Delhi (4.2%), Bengaluru (3.8%), Kolkata (1.9%). Chennai (1.0%), Mumbai witnessed a fall in Index by (-) 2.0%. Pune witnessed no change in index on Y-o-Y basis.
- Of the 29 Tier-2 cities being covered, maximum increase in indices was seen in Patna (17.2%) followed by Chandigarh (11.0%), Ghaziabad (10.5%), while maximum decrease in indices was seen in Faridabad (-5.7%), Jaipur (-3.7%) and Nagpur (-2.7%) on Y-o-Y basis. Raipur witnessed no change in index on Y-o-Y basis.
- Among the 13 Tier-3 cities, the variations ranged from 11.2% in Greater Noida, 8.1% in Howrah, to (-1.0%) in Thane and (-0.9%) in Gandhinagar on Y-o-Y basis. Bhiwadi, Chakan and Panvel witnessed no change in indices.

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 June, 2013 to Sept, 2021 can be viewed at <https://residex.nhbonline.org.in>.
