



## NATIONAL HOUSING BANK

### *Press Release*

#### ***NHB RESIDEX - RESIDENTIAL HOUSING PRICE INDEX Update for the Quarter Oct-Dec, 2019***

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  $\leq 60$  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 Oct-Dec, 2019 with base year FY 2017-18**

- Composite HPI@Assessment Prices stood at 83 in June, 2013 and has moved up to 110 in the current quarter i.e. December, 2019. The index has moved up with a CAGR of 4.4% over the years.
- The index increased by 4.8% on Y-o-Y basis.

#### **City-wise movements under HPI @ Assessment Prices during the quarter Oct-Dec, 2019 with base year FY 2017-18**

- HPI recorded an overall increase in 37 cities, decrease in 8 cities and no change in 5 cities (Bhopal, Ghaziabad, Meerut, Panvel and Vijayawada) on Y-o-Y basis.
- Annual growth in HPI ranged from 18.0% in Hyderabad and 16.7% in Ahmedabad to (-7.6%) in Chakan and (-6.1%) in Delhi at the end of the quarter.

- Among the 8 Tier-1 cities, Hyderabad witnessed maximum increase at 18.0% on Y-o-Y basis followed by Ahmedabad at 16.7%, Bengaluru at 8.3%, Kolkata at 5.8%, Pune at 4.7%, Chennai at and Mumbai, both at 2.9%. Delhi witnessed a fall in Index by (-6.1%).
- Of the 29 Tier-2 cities, significant rise in indices was seen in Thiruvananthapuram (16.3%), Guwahati (15.2%) followed by Vadodara (14.4%), Ludhiana and Raipur (13.6%), Bhubaneswar (12.1%), Patna (11.5%) and Lucknow (10.7%), while fall in indices was seen in Faridabad (-2.9%) and Vasai Virar (-1.0%) on Y-o-Y basis.
- On Y-o-Y basis, 8 out of 13 Tier-3 cities showed growth with Gandhinagar (13.9%) in the lead followed by New Town Kolkata (7.3%) and Bhiwadi (7.1%) showed significant increase in indices. Chakan (-7.6%) and Navi Mumbai (-5.6%) witnessed drop in indices on Y-o-Y basis.

**Composite HPI@Market Prices for Under Construction Properties based on 50 cities during the quarter Oct-Dec, 2019 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 104 in the current quarter i.e. December, 2019. The index has moved up with a CAGR of 3.2% over the years.
- On Y-o-Y basis, the index has witnessed a stagnancy.

**City-wise movements under HPI@Market Prices for Under Construction Properties during the quarter Oct-Dec, 2019 with base year FY 2017-18**

- HPI recorded an overall, increase in 30 cities, decrease in 18 cities and no change in 2 cities (Bhopal and Ghaziabad) on Y-o-Y basis.
- Annual growth in HPI ranged from 15.4% in Patna to (-7.9%) in Noida at the end of the quarter Oct-Dec, 2019.
- Annually, out of 8 Tier-1 cities, the cities that showed growth with Hyderabad (13.0%) leading, followed by Bengaluru (3.0%) and Ahmedabad (1.0%). Delhi (-5.9%), Pune (-2.9%), Mumbai and Chennai witnessed a fall in Index by (-1.0%), respectively.
- Of the 29 Tier-2 cities being covered, maximum increase in indices was seen in Patna (15.4%) followed by Vadodara (12.1%), Indore (9.5%) and Jaipur (5.8%), while maximum decrease in indices was seen in Noida (-7.9%), Faridabad (-5.4%), Gurugram (-4.8%), Kochi (-4.0%), Vijayawada (-3.9%), Ranchi, Ludhiana, Dehradun and Nashik (-2.0%), Chandigarh(Tricity) and Meerut (-1.0%) on Y-o-Y basis.
- Among the 13 Tier-3 cities, the variations ranged from 13.6% in Navi Mumbai, 7.5% in Bidhan Nagar, 6.6% in Gandhinagar and 6.1% in New Town Kolkata to (-6.8%) in Bhiwadi 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 June, 2013 to December, 2019 can be viewed at <https://residex.nhbonline.org.in>.

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