

The Prime Global Cities Index is a valuation-based index tracking the movement in prime residential prices in local currency across 40+ cities worldwide using data from our global research network.

Prime Global Cities Index

Q4 2020

knightfrank.com/research

HEADLINES

Auckland

THE CITY WITH THE FASTEST RISING PRIME PRICES IN 2020

1.9%

THE INDEX'S ANNUAL INCREASE IN 2020

4

THE NUMBER OF ASIAN CITIES IN THE TOP TEN ANNUAL RANKINGS

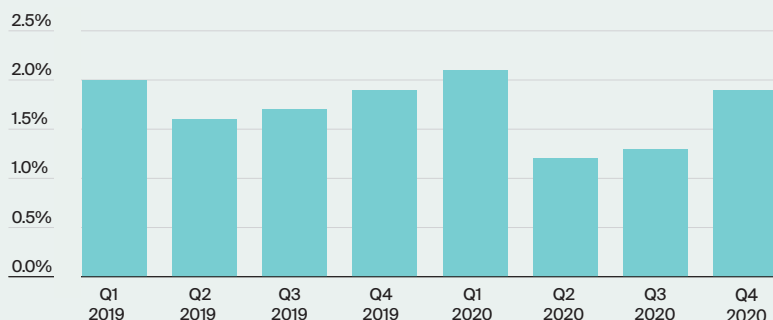
66%

THE PERCENTAGE OF CITIES REGISTERING FLAT OR POSITIVE ANNUAL PRICE GROWTH IN 2020

Bangkok

THE WEAKEST-PERFORMING WORLD CITY IN 2020

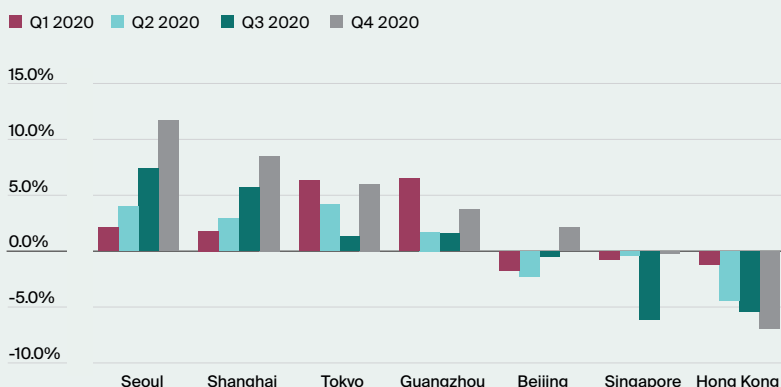
Fig 1. Prime prices globally continue to register positive annual growth
Index aggregate – 45 cities



Source: The Knight Frank Prime Global Cities Index

Prime prices in some Asian cities rebounded in Q4 2020

Annual % change



Source: The Knight Frank Prime Residential Cities Index

Despite the pandemic and resulting travel restrictions, the Knight Frank Prime Global Cities Index registered a **1.9% rise in the final quarter of 2020, up from 1.6% in Q3.**

Resilience was most evident in those markets that dealt with the pandemic efficiently and where economies are already starting to open up and travel corridors are emerging.

Auckland leads the index with an 18% uptick. Low mortgage rates, a desire for more space, and New Zealand's handling of the pandemic spurred on domestic buyers.

Four Asian cities also sit within the top ten rankings for annual growth – Shenzhen, Seoul, Manila and Shanghai, all saw annual price growth exceed 8% in 2020.

Some 66% of cities registered flat or positive annual price growth in the year to December 2020, up from 62% in the previous quarter.

Vancouver leads the North American cities with prime prices recovering to 8% annual growth, from a low of -15% in Q1 2019. A perception of value amongst local buyers and a desire for larger properties with more outdoor space saw sales in October reach their highest level since June 2017.

In the UK, an eight-week spring shutdown during the nation's traditional

peak-selling season meant London (-4%) was playing catch up over the summer, while still contending with ever-changing travel restrictions and the shadow of a potential no-deal Brexit.

New York (-5%) struggled to gain momentum in the first half of the year as the pandemic took hold, but it ended 2020 on a more optimistic note with the number of signed contracts in Manhattan up 14% in December year-on-year, and listings down 31%.

With Brexit agreed and a new US administration underway there are fewer unknowns than there were but Covid-19 continues to cloud investment decisions for some.

All eyes are now on the vaccine roll-out, the extent to which supply constraints in 2020 will cushion prime prices and whether international travel will gain some form of traction in the second half of 2021, facilitating more cross-border transactions.

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



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Prime property definition: The most desirable and expensive property in a given location, generally defined as the top 5% of each market by value. Prime markets often have a significant international bias.

THE KNIGHT FRANK PRIME GLOBAL CITIES INDEX Q4 2020

Ranked by annual % change

| | CITY | WORLD REGION | 12-MONTH % CHANGE (Q4 2019-Q4 2020) | 3-MONTH % CHANGE (Q3 2020-Q4 2020) |
|----|------------------------------|---------------|---|--|
| 1 | Auckland | Australasia | 17.5% | 1.3% |
| 2 | Shenzhen | Asia | 13.3% | 4.1% |
| 3 | Seoul | Asia | 11.7% | 9.0% |
| 4 | Manila | Asia | 10.2% | 0.0% |
| 5 | Moscow | Russia & CIS | 9.9% | 4.3% |
| 6 | St. Petersburg ³ | Russia & CIS | 8.7% | 9.4% |
| 7 | Shanghai | Asia | 8.5% | 3.9% |
| 8 | Vancouver | North America | 8.1% | 3.2% |
| 9 | Zurich | Europe | 8.0% | 2.2% |
| 10 | Los Angeles ^{1,3} | North America | 7.6% | -1.3% |
| 11 | San Francisco ^{1,3} | North America | 6.8% | 1.5% |
| 12 | Toronto | North America | 6.4% | 0.6% |
| 13 | Stockholm | Europe | 6.3% | 2.0% |
| 14 | Miami ^{1,3} | North America | 6.1% | 1.7% |
| 15 | Tokyo ² | Asia | 6.0% | 5.7% |
| 16 | Edinburgh | Europe | 5.8% | 1.8% |
| 17 | Frankfurt | Europe | 3.8% | 1.8% |
| 18 | Guangzhou | Asia | 3.7% | 2.7% |
| 19 | Perth | Australasia | 3.6% | 2.9% |
| 20 | Gold Coast | Australasia | 3.2% | 1.8% |
| 21 | Geneva | Europe | 3.0% | -1.3% |
| 22 | Brisbane | Australasia | 2.5% | 3.2% |
| 23 | Beijing | Asia | 2.1% | 0.6% |
| 24 | Sydney | Australasia | 1.1% | 1.1% |
| 25 | Monaco | Europe | 1.0% | 1.0% |
| 26 | Berlin | Europe | 0.9% | 1.4% |
| 27 | Vienna | Europe | 0.8% | 0.1% |
| 28 | Taipei | Asia | 0.7% | 0.0% |
| 29 | Melbourne | Australasia | 0.2% | 1.3% |
| 30 | Bucharest | Europe | 0.0% | -0.1% |
| 31 | Delhi | Asia | -0.1% | 0.0% |
| 32 | Singapore ³ | Asia | -0.2% | 3.3% |
| 33 | Dublin | Europe | -0.7% | 0.2% |
| 34 | Jakarta | Asia | -1.2% | 0.0% |
| 35 | Mumbai | Asia | -1.5% | -0.2% |
| 36 | Bengaluru | Asia | -2.0% | -0.6% |
| 37 | Paris | Europe | -2.3% | -0.9% |
| 38 | Kuala Lumpur | Asia | -3.6% | -1.1% |
| 39 | Nairobi | Africa | -3.9% | 0.1% |
| 40 | Madrid | Europe | -4.0% | -0.5% |
| 41 | London | Europe | -4.3% | -0.1% |
| 42 | New York | North America | -5.1% | -2.0% |
| 43 | Dubai | Middle East | -5.9% | 0.1% |
| 44 | Hong Kong | Asia | -6.9% | -1.5% |
| 45 | Bangkok | Asia | -7.3% | -1.0% |

Notes: Data for Berlin, Frankfurt, Kuala Lumpur, Manila and Taipei is to Q3 2020; data for Los Angeles, Miami, and San Francisco is to October 2020; data for New York relates to Manhattan and is to Nov 2020.

¹ Based on top-tier of mainstream market in metro area. ² Based on all contracts above Yen100m ³ Provisional

Source: All data comes from Knight Frank's global network with the exception of Tokyo (Ken Corporation); New York (StreetEasy); Los Angeles, Miami and San Francisco (S&P CoreLogic Case-Shiller); Berlin and Frankfurt (ZIEGERT Research/ ImmobilienScout24); Stockholm (Svensk Maklarstatistik); Toronto (Real Estate Board of Toronto); Vancouver (Vancouver Real Estate Board); Zurich and Geneva (Wüest Partner); and Dubai (REIDIN)

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