

Quick Note 19/09/2017

Spain · Housing prices rise 1.6% YoY in 2Q 2017

Data

- Appraisal prices for open market housing increased by 0.3% QoQ in 2Q 2017.
- In YoY terms, housing prices rose by 1.6% in 2Q 2017.

Assessment

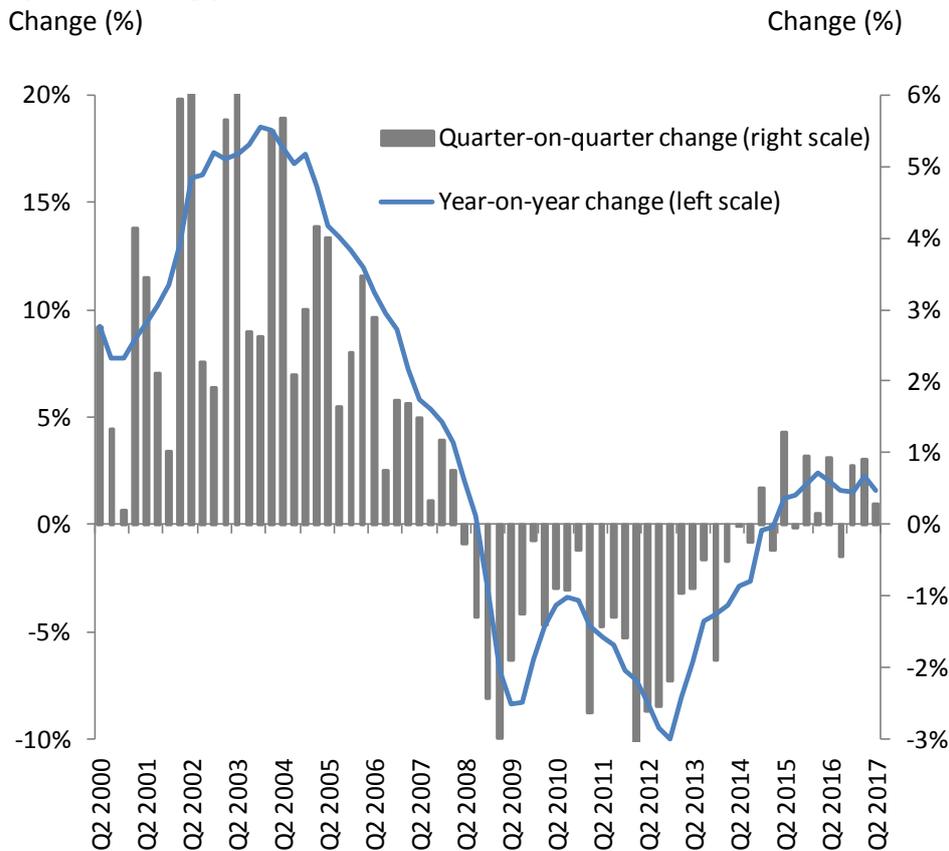
- In 2Q 2017 the growth in housing prices decreased to 0.3% QoQ (0.9% in 1Q 2017), which places the year-on-year increase at 1.6%. The mentioned growth is moderately inferior than expected, but within the usual fluctuation range for the series, and does not alter the medium-term prospects of the recovery of the sector.
- The buoyancy of housing prices in 2Q 2017, which increased by 12% YoY, together with a much more moderate increase in housing supply, already suggested that the housing prices would continue to climb.
- Looking ahead to the coming months, housing prices are expected to remain on the rise as a result of growing demand and the scarcity of housing for sale in certain prime zones (such as major cities).
- In the light of this data, **the risks in terms of our full-year 2017 forecast, of 3.0% YoY, seem to be downward biased.**

Spain: housing prices

	2Q 2016	3Q 2016	4Q 2016	1Q 2017	2Q 2017	
					Data	Forecast
YoY change (%)	2.0	1.6	1.5	2.2	1.6	2.5
QoQ change (%)	0.9	-0.4	0.8	0.9	0.3	1.2

Source: CaixaBank Research, based on Ministry of Public Works and Transport data.

Spain: housing prices



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