

Global House Price Index

2025 Q1 Edition

Knight Frank's Global House Price Index provides a quarterly snapshot of trends in mainstream housing markets across 55 markets

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Global housing markets tick higher, but further growth hinges on rate cuts

- In Q1 2025, the weighted average annual price growth across our basket of 55 global housing markets picked up to 2.3%, up from 1.7% in Q4 2024, although the rate sits below the long-run trend rate of 5.1%. While this uptick reflects easing borrowing costs following recent policy rate cuts globally, further growth will likely depend on additional policy easing through the rest of 2025.

STRONGER GROWTH

Global house price growth has strengthened into 2025, with the weighted average annual rate of 2.3% the strongest since 2024 Q2. After a period where the rate of growth slowed rapidly following sharp rate hikes from mid 2022, the recent easing of monetary policy has seen a steady if modest uptick in price growth. That said, with inflation above target in several key markets, further rate cuts – and thus further support for housing demand – will be slower than home owners might like to see.

MARKET BY MARKET ANALYSIS

Turkey leads our index again, posting the strongest nominal annual growth at 32.2%, though high inflation means its real annual growth remains negative at -4.2%, despite the nominal price surge. European markets dominate the top of the table: eight markets saw nominal growth above 10%, seven of which are in Europe, led by North Macedonia at 22.6%. At the other end, Mainland China and Hong Kong SAR recorded the

largest annual declines, down 7.5% and 6.5% respectively in Q1 2025.

REAL PRICES ARE STILL UNDER PRESSURE

Although nominal growth is strong, global real house-price growth remains in negative territory, with average annual real growth of -0.4% in Q1 2025. Elevated inflation – particularly in Europe and North America – continues to erode real purchasing power, and borrowing costs, even after cuts, remain higher than pre-pandemic lows.

“Global house-price growth has rebounded modestly above its long-run trend on the back of early rate cuts, but real affordability remains stretched. We believe further policy easing this year will be needed to sustain growth at or above trend.”

Liam Bailey, Knight Frank's Global Head of Research

2.3%

average annual growth in house prices across our 55-market basket

-4.2%

Turkey's real annual price growth, despite 32.2% nominal growth

87%

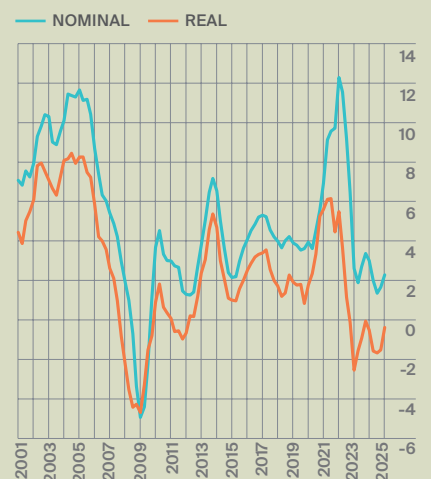
of markets are seeing positive annual price growth

5.1%

long-run trend rate of annual house price growth

Fig 1: The Knight Frank Global House Price Index

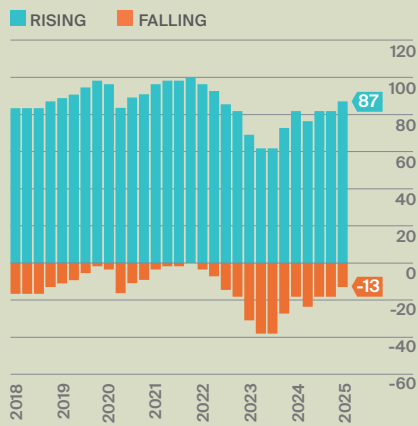
2025 Q1 edition, overall index annual % change



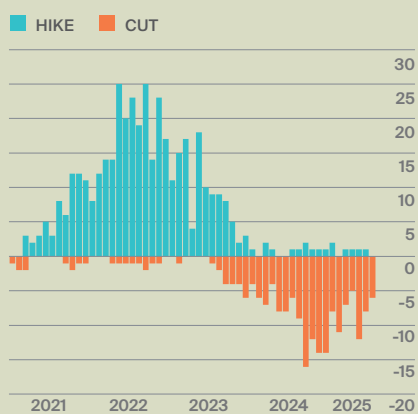
Source: Knight Frank Research

Fig 2: Share of markets

Proportion of markets with rising or falling annual price change

**Fig 3: Rate cuts outpace hikes**

Global central bank policy rates, monthly hikes vs cuts



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Fig 4: Knight Frank Global House Price Index

2025 Q1 edition, markets ranked by annual % change

Rank/Location	Nominal		Real	
	12-month % change	3-month % change	12-month % change	
1 Turkey	32.2	9.7	-4.2	
2 North Macedonia	22.6	9.9	24.2	
3 Portugal	16.9	5.7	14.8	
4 Bulgaria	15.1	4.2	10.6	
5 Croatia	13.1	4.5	9.6	
6 Hungary	12.1	5.2	7.1	
7 Slovakia	11.4	4.0	7.2	
8 Netherlands	10.6	2.5	6.6	
9 Colombia	9.9	3.5	4.6	
10 Japan	9.5	7.2	5.6	
11 Czech Republic	9.3	2.2	6.5	
12 Spain	9.0	3.1	6.6	
13 Mexico	8.2	2.3	4.2	
14 Brazil	8.1	1.9	2.5	
15 India	7.7	2.9	4.2	
16 Ireland	7.6	0.5	5.5	
17 Iceland	7.0	0.4	3.1	
18 Greece	6.8	2.7	4.3	
19 Lithuania	6.7	6.6	2.5	
20 Poland	6.6	0.8	1.1	
21 Norway	6.5	5.5	3.8	
22 Taiwan	6.0	-0.6	3.9	
23 Latvia	5.8	1.2	2.3	
24 Denmark	5.3	1.2	3.7	
25 Israel	4.9	0.3	1.5	
26 Romania	4.9	2.1	5.1	
27 Singapore	4.7	1.0	3.8	
28 Estonia	4.6	3.0	0.2	
29 Australia	4.5	0.5	2.2	
30 Italy	4.4	-0.2	2.5	
31 United Kingdom	3.9	0.7	1.2	
32 United States	3.4	1.3	0.9	
33 Sweden	3.4	3.4	2.9	
34 Slovenia	3.2	-2.0	1.2	
35 Chile	2.9	5.0	-1.8	
36 Belgium	2.7	0.7	-0.2	
37 Switzerland	2.5	1.6	2.2	
38 Canada	2.3	0.4	0.1	
39 Germany	2.3	0.7	0.1	
40 Malta	2.2	1.4	0.1	
41 South Africa	2.0	1.0	-0.7	
42 Cyprus	2.0	1.5	0.4	
43 South Korea	1.5	0.5	-0.5	
44 Luxembourg	1.4	1.1	0.3	
45 Indonesia	1.1	0.3	0.0	
46 Malaysia	0.9	-2.5	-0.6	
47 France	0.4	1.0	-0.4	
48 Austria	0.4	0.8	-2.5	
49 Peru	-0.9	-1.0	-2.1	
50 Ukraine	-1.5	2.1	-14.0	
51 New Zealand	-1.9	-2.2	-4.3	
52 Jersey	-3.2	1.1	-5.4	
53 Finland	-6.0	-5.0	-6.5	
54 Hong Kong SAR	-6.5	-1.6	-7.8	
55 Mainland China	-7.5	-0.9	-7.3	

Source: Knight Frank Research